

**CREDIT
AND**

FINANCIAL MANAGEMENT

UNIVERSITY
OF MICHIGAN

JUL 1959

BUSINESS ADMINISTRATION



JULY 1959

NUMBER 7

VOLUME 61

Holding Down Those Soaring Costs

Electronics Help Managers Manage

Credit Congress: Word and Picture

The Cover: William L. Holmes

See Page 12

ACCOUNT REVIEW

To: _____ NAME OF FIRM Requesting Statement

The following information is submitted for your consideration as a basis for the extension of Credit to us:

The name of our business is _____

We operate _____ business. We have been established _____ years.
(State type and nature of business)

Ours is a: Corporation ☐ Co-Partnership ☐ Limited Partnership ☐ Individual Business ☐

We are incorporated under the state laws of _____

The principal owners or stockholders and officers are, etc., etc.

NAME ADDRESS CITY

We bank at _____

Account carried under _____

Our tax returns have been cleared with the taxing authorities through 19 _____

We expect our monthly credit requirements from you to be about \$ _____

DESCRIPTION OF INSURANCE PROTECTION CARRIED

Kind	Amount	Kind	Amount
Fire Insurance on:		Employee Fidelity Bonds	
Merchandise		Burglary Insurance	
Buildings		Forgery	
Furniture & Fixtures		Life Insurance for benefit of business	
Business Interruption		Accounts Receivable	
Liability Insurance on:		Miscellaneous	
Premises			
Autos			
Products			
Contractual			

YOU MAY REFER TO OUR PRINCIPAL SOURCES OF SUPPLY LISTED BELOW

Name	Address	City	State

Form No. 3C (This Form Approved and Published by the Federal Reserve Board)

Date _____, 19 _____

The following figures set forth our present financial standing and business operation upon which you may rely for the purpose of establishing our credit:

CURRENT ASSETS:

Cash on hand and in banks \$ _____

Due from customers _____

Cost value of merchandise on hand _____

Other current assets _____

TOTAL \$ _____

CURRENT LIABILITIES:

Bank loans payable within a year _____

Tax obligations due _____

Due to merchandise creditors _____

Other debts due within a year _____

TOTAL \$ _____

FIXED ASSETS:

Business equipment _____

Land used in business _____

Buildings used in business _____

Other assets _____

TOTAL \$ _____

INDEBTEDNESS NOT DUE WITHIN A YEAR:

Chattel Mortgages due on merchandise _____

Chattel Mortgages due on other assets _____

Real Estate Mortgages _____

Other long term debt _____

TOTAL \$ _____

NET WORTH: \$ _____

Monthly Sales Volume _____

% of Sales made on credit _____

% of Sales at retail _____

% of Sales at wholesale _____

% of Sales on time-payment plan _____

Peak season of year _____

Date of last physical inventory _____

Profit shown latest U. S. Income Tax Return _____

Our firm is financially able to meet any commitments we have made and we expect to pay your invoices according to your terms.

Name of Firm or Corporation _____

Street _____ City _____ State _____

Date _____ Signed by _____ Title _____

PLEASE BRING TO THE OTHER SIDE OF THIS FORM WHICH IS A PART THEREOF

Why a Creditor?

The question "Why Was I a Creditor?" introduced case history articles by credit executives in a symposium in the May issue of Credit and Financial Management. Readers are invited to contribute articles telling how they became creditors.—Ed.

Handwriting on Wall of Store But Suppliers Didn't See It

WHY were we a creditor? We had supplied this food store most of its bakery products for 25 years. At the beginning the account had been large compared to other stores. Now it was small. The customer had not kept pace. While other food stores grew in size he stood still, and that meant falling back.



D. C. PUTMAN

As the customer's family grew, his obligations became greater. College for the son—the down payment for a home for his daughter—another in high school.

There had been some slowness for several years. When a trend of increasing slowness appeared, we put the account on C.O.D. and agreed on a plan to liquidate the past due balance. It was too late. He failed shortly thereafter.

Why were we a creditor? Because we had refused to recognize certain danger signs; increasing slowness, loss of competitive position, Credit Interchange reports indicating an unfavorable trend in payments to other suppliers. Had we faced the problem sooner, our loss would have been minimized or possibly avoided.

DALE C. PUTMAN

Secretary and a Director of Metz Baking Company, Sioux City, Iowa.

When the meek inherit the earth, there probably will be someone around to collect an inheritance tax.

—Changing Times

MORE MONEY

FOR AS LONG AS YOU NEED IT

By using COMMERCIAL CREDIT's method to supplement cash working capital, a business can usually obtain *more cash* than other sources will provide. Moreover, the cash is available on a continuing basis . . . as long as needed . . . without periodic renewals.

COMMERCIAL CREDIT's method is fast, flexible and reasonable in cost. Cash is normally available for use 3 to 5 days after first contact. The amount may range from \$25,000 to millions. The cost is minimized because it is based only on money in actual use as the need varies.

Ask the nearest COMMERCIAL CREDIT CORPORATION office about the Commercial Financing Plan: 300 St. Paul Place, BALTIMORE 2. 222 W. Adams Street, CHICAGO 6. 722 S. Spring Street, LOS ANGELES 14. 50 W. 44th Street, NEW YORK 36. 112 Pine Street, SAN FRANCISCO 6.

Consult

COMMERCIAL CREDIT

COMMERCIAL CREDIT COMPANY subsidiaries advance over one billion dollars a year to manufacturers and wholesalers to supplement cash working capital. Combined volume of finance subsidiaries exceeds three billion dollars a year. TOTAL ASSETS OVER ONE AND ONE-HALF BILLION DOLLARS.



EDITORIAL

Pension Fund Advantages

A NON-CONTRIBUTORY pension plan can provide employees a tax-free bonus while fully conforming to rules and regulations laid down by the Internal Revenue Service.

Many concerns are shifting to such programs. The bonus would be non-recurring but would be an important saving if the company involved chooses to take advantage of the opportunity.

The principal benefit of the qualified pension trust is that the employer receives a deduction from business income to the extent of his contribution, but the employee does not report any immediate income even though he is entitled to share in later benefits after retirement.

It makes little difference to the company, whether payment is made to the worker as salary or is placed in a qualified pension trust as a contribution. The deduction is the same.

But to the employee, benefits can accrue quickly over a period of years. The individual would pay the tax on sums received after retirement when, with presumable decline in wages or salary, the tax would be at a reduced percentage.

For the man or woman who is in a 25 per cent tax bracket on his highest income, a \$1,000 contribution into a trust fund by the company would work fully for him, while the same amount of money received as wages or salary would be subject to \$250 tax, leaving only \$750 for investment or spending on an individual basis.

Additionally, any interest or dividends earned by the individual on his personal investments would be subject to income tax in the year of payment. Dividends and interest paid to a qualified trust are not taxable to the trust and can accumulate on a compound basis.

Many companies are making a strong and effective argument for the merits of the non-contributory pension plan as an additional employee benefit to hold desired personnel.


EXECUTIVE VICE PRESIDENT

In the News

JAMES F. BRIDGES, vice president of The Riggs National Bank of Washington, D.C., and manager of the bank's credit department, has been elected president of Chesapeake Chapter, Robert Morris Associates. Mr. Bridges is a director of Chas. H. Tompkins Company and C-E-I-R, Inc.

HERBERT SCHACHTSCHNEIDER is the newly elected chairman of the National Retail Merchants Association. He is treasurer and secretary of Ed. Schuster & Co., Inc., Milwaukee department store.

LESLIE I. ASHER, manager-finance, small aircraft engine department, General Electric Co., West Lynn, Mass., has been nominated for the presidency of the National Association of Accountants.

S. J. BARRETT, district credit manager, Magnolia Petroleum Company, has been elected president of the Southwest Petroleum Credit Association.

HERBERT R. SILVERMAN, president of James Talcott, Inc., alumnus of New York University's school of commerce, accounts and finance, received the school's 1959 John T. Madden Memorial Award for "outstanding achievements in business, industry, or professional life."

ROGER A. YODER, vice president-finance, Detroit Steel Corporation, Detroit, has been elected president of the Controllers Institute of America, effective September 1, succeeding J. McCall Hughes, vice president and controller, Mutual of New York, who will become chairman.

JAMES J. BEHR, of Mack Shirt Corporation, has been elected president of The Big Brothers Association of Cincinnati.

J. P. SEIDMAN, CPA, New York, has been nominated for the presidency of the American Institute of Certified Public Accountants.

MURRAY M. NICHOLSON, assistant vice president, First American National Bank, has been elected president of the Big Brothers of Nashville, Inc.

FINANCIAL MANAGEMENT

General Manager, Edwin B. Moran
Official Publication of The National Association of Credit Management

VOLUME 61

NUMBER 7

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Chicago, Ill.—Russell Smith, 205 West Wacker Drive, Chicago 6. Phone: DEarborn 2-5091.

New York, N. Y.—Irving Mallon, 41 E. 42nd St., Room 516, New York 17, N. Y. OXford 7-3785.

Published monthly on the 20th of month preceding date of issue by the National Association of Credit Management, 3rd St. and Hunting Park Ave., Philadelphia 40, Pa.

Second class postage paid at Philadelphia, Pa.

Subscription price \$3.00 a year, 25¢ per copy; Canada, \$3.50; all other countries, \$4.00 postpaid. Copyright 1959 by the National Association of Credit Management, which is responsible only for official Association statements and announcements printed herein. Printed in the United States of America.



Editorial, Advertising and Executive Offices: 229 Fourth Ave., New York 3, N.Y. ORegon 4-5100, Midwest Office: 33 So. Clark St., Chicago 3, Ill. ANdover 3-3096.

(Address all editorial and advertising material to the New York Office.)

Publication Office:
3rd St. and Hunting Park Ave., Philadelphia



Washington

☛ **LIMITATION OF TAX PRIORITIES** in bankruptcy has been approved by the House bankruptcy subcommittee. Under present law, taxes have unlimited priority over the claims of general creditors. As approved by the bankruptcy subcommittee, the bill calls for a three-year limitation on all unsecured Federal, state and local tax priorities in bankruptcy, with all earlier unsecured tax claims ranking equally with the claims of general creditors. The bill, H.R. 2236, is identical with one which passed the House in the last Congress. It is a modified version of the original NACM-sponsored bill calling for a one-year limitation. While NACM has acclaimed this legislation as a definite step forward, it has urged that Congress tighten the present bill to provide for a one-year, rather than three-year, limitation (see Convention Resolutions, page 36).

☛ **IN CRITICIZING** the justice department for consent decrees in antitrust suits, especially the 1956 decree settling a suit against American Telephone and Telegraph Company, the House antitrust committee came in for sharp rejoinder from Frederick R. Kappel, AT&T president. The committee had called the decree "a blot on the enforcement history of the antitrust laws." To this Mr. Kappel retorted that the report is "a thoroughly biased and slanted document which ignores the real public interest of over 36 million telephone customers, 725,000 employees and 1.6 million share owners of the Bell System, and wholly disregards vital defense considerations."

☛ **APPROVED** by the Federal Reserve Board at the turn of the month was an increase to $3\frac{1}{2}$ per cent, from 3 per cent, in the discount rate to member banks in the Chicago, Dallas, Minneapolis, New York and St. Louis areas. The move followed commercial banks' action raising their prime lending rate to $4\frac{1}{2}$ per cent (from 4).

The "Fed's" action was attributed to a need for further restraint of money supply, strong demand by consumers for credit, particularly retail charge credit, to continued strength in the mortgage market, and other factors.

☛ **BLAME** for inflation was laid at various doors in testimony before the Senate-House economic committee.

Walter P. Reuther, president of the AFL-CIO

United Auto Workers, pointed to pricing policies of large corporations, but doubted a solution could be had from Government antitrust actions to break up large concerns into little ones.

He declared that "some way must be found to curb the price-raising ability of giant corporations in key industries in which there is no effective price competition."

But Walter D. Fackler, economist for the U.S. Chamber of Commerce, charged that the most severe pressures for inflation came from big spending by Government and from budget deficits.

Ralph Robery, economic advisor to the National Association of Manufacturers, also criticized Government spending but he urged antitrust regulation of unions "to deal with the uneconomically destructive effects of the monopoly power exerted in the labor market by union leaders."

So . . . ?

☛ **FROM** the Palm Beach meeting of the American Cotton Manufacturers came a plea by Senator Strom Thurmond (Dem., S.C.) for quick implementation of the recent report of the textile subcommittee of the Senate finance committee calling for aid for the industry. Senator Thurmond was one of the authors of the report.

☛ **TOTAL** defense outlays "might rise a little over the next two or three years", though the prospect is for a "leveling off—but perhaps, on balance, a little on the upside" if world conditions show no marked change, Wilfred J. McNeil, defense controller, told the Congressional joint economic committee. He indicated less than \$1 billion annual rate of increase. For fiscal 1959, he said, defense spending might be a bit more than the January budget estimate of \$40.8 billions, possibly "as high as \$41.0 billions," but he added that the department at present sees no change from the \$40.9 billion estimate for fiscal 1960.

☛ **ROLL BACK** the level of crude oil and petroleum product imports to 1,250,000 barrels daily, the Independent Petroleum Association of America urged the office of civil and defense mobilization. The daily average importation in the last half of 1958 was 1,721,000 barrels.



The BIG FAT FLAME

As told to Harry Mayer

by Colonel Fred P. Dollenberg

We were stuck in the busy mid-Manhattan street. Behind us the traffic piled bumper to bumper, horns screeching indignantly. The colonel leaned over to our cab driver. "What's wrong?" he asked.

The cabbie pointed with his cigarette to the car in front, "Look."

We did. The car ahead of us — a shiny 1959 model — had stalled and the starter clattered endlessly with that empty metallic sound that you know in advance is not going to make the motor catch. Twisting the ignition key in helpless fury, the unfortunate motorist at the same time was exchanging uncomplimentary opinions with the drivers of the vehicles snarled behind him. At length he piled out of the car, wrenched at the hood, and looked fiercely at the inert engine. To no one in particular, but as though to vindicate himself to his tormenters, he shouted: "I just know it's those damned spark plugs. Only two thousand miles and already they're shot!"

Startled, I turned to my companion. "Colonel," I demanded, "is this a plant?" He stared back at me, then he got it and he began to laugh. So did I, in a moment, and there we were in this taxicab, stalled between skyscrapers and going no place, roaring as though we'd never stop.

Spark plugs! That was the joke. The colonel and I were on our way to his downtown office where I was scheduled to interview him for a magazine story. The subject — spark plugs.

You see, Col. Fred Dollenberg is the inventor and manufacturer of a device which is designed to allow automobiles to run **without** spark plugs!

Later, sitting in his top floor office, with the drapes parted to reveal the exciting lower Manhattan skyline, I got a more leisurely look at the colonel. I wondered and asked about his smashed nose, — the war maybe? — and he smiled and said no, just an opposing tackle with a very hard head. Dollenberg was an All-American mention at St. Joseph's in Philadelphia before he joined the Army Air Force as an engineer immediately after graduation. After war was declared against Japan and Germany, he saw enough action to later receive the Inquirer Hero Award as Philadelphia's

most decorated flyer, succeeding a similar award to Marine hero Al (Pride of the Marines) Schmid. For a time he was personal pilot for Gen. Douglas MacArthur. Evidently there was considerable brilliance to this young fighter; he started the climb up to the brain brass, and some of the military manuals he was charged with preparing are still used by the Air Force. (Only part of this did I drag out of Dollenberg. Indeed it was a newspaper file which informed me that the colonel was a triple ace!)

It was while Dollenberg was in command of a



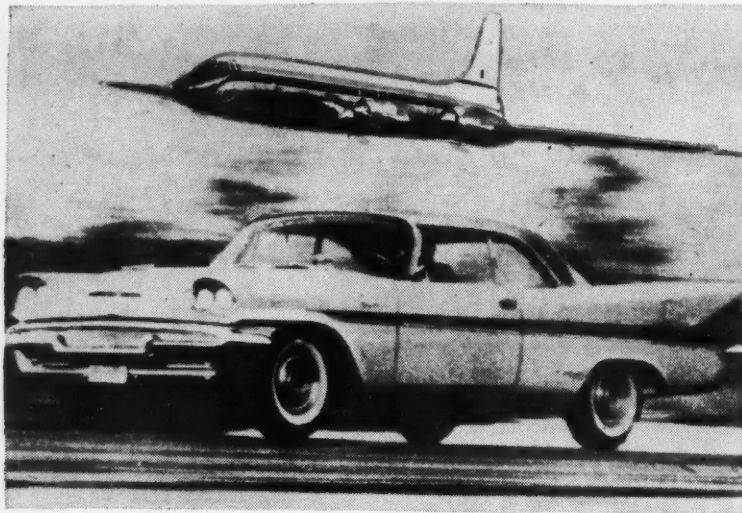
"The spark plug was invented more than 40 years ago. For the last 20 years it has not been doing an adequate job. The U. S. Navy and Air Force knew this only too well. I was commissioned to replace the spark plug with a modern efficient ignition system. I succeeded — with the Lectra Fuel Igniter. The Navy accepted it and took the spark plugs out of their aircraft replacing them with the prototype of our Lectra Fuel Igniter. Today this extraordinary invention is replacing spark plugs in tens of thousands of automobiles throughout the country. By 1961 every car made will carry fuel igniters not spark plugs" . . . Col. Fred P. Dollenberg, U.S. Air Force, from a speech at the Conrad Hilton Hotel, Chicago, January 8, 1958.

task force of seasoned P-40 pilots that a grim incident took place which set the then Capt. Dollenberg off on his restless search for perfection. A young ace, coming in safe and sound from a mission where he had gone through murderous enemy fire, never made it to his safe hut a few hundred yards away. He nosed a bit too low — no engine power to get the plane up quickly — and the trees that lay just short of the runway caught the plane and pilot and crashed both. Dollenberg was horrified at the accident and at the paralysis of fatalism that seemed to settle on the shoulders of officers and enlisted men alike in the face of a tragedy so senseless. . . . After all, it seemed to say, it is true, isn't it, that more planes are lost through engine failure than are brought down by the Japs? You had to expect such things — and accept them. . . . But Dollenberg couldn't accept it. Not when the cause of this type of accident could be ripped out of the engine.

"Plug failure?", I asked. He nodded, shortly. "This tragedy and others, too. Too many others. Did you know that spark plugs were invented more than 40 years ago for engines whose limit was 20 miles an hour? These very same spark plugs — and that they haven't been changed an iota since? Can you imagine a 2000 horsepower motor depending for ignition on a skinny little spark that had been intended to help Grandpa toot around the square on a Sunday afternoon? Well, that's what these boys had under their P-40 hoods." The accident had started him off on his search, I supposed, and again he nodded. It hadn't been an easy journey. Apathy, defeatism—a young enthusiasm will always encounter these. I've done many success interviews, and it's a rare success that has been a joyride. Dollenberg spent long hours off duty working on the problem of the antiquated spark plug, but when the war ended he still hadn't cracked it. Returning to a young wife and family the colonel organized a non-scheduled commercial airline and operated it for 3 million miles, even introducing gliders for the first time in commercial aviation.

If it hadn't been for some weight-throwing on the part of one of the larger airlines which had

(continued on next page)



begun to smart under the irritating competition it was getting from the Dollenberg outfit, the young man would undoubtedly have succeeded in commercial aviation and this particular story wouldn't have been written. But as it was, Dollenberg was forced out of business on the sort of technicality that somehow seems always to crop out against the small business, not the big. He had to sell.

Well, there he was — with a little money left from the debacle; a family, and a living to make for them. He turned his attention once more to the anachronism of modern engines — the spark plug. Starting again from scratch, he reviewed the problem.

"It's really quite simple," said Col. Dollenberg. "An engine provides power for a vehicle because gasoline, sprayed into the cylinder, is ignited by a spark. When ignited the gasoline burns pushing the piston down into the cylinder. The more complete the burning of the gas the more force in the cylinder. The more force, the more power. Obviously, therefore, the larger the spark the more gas ignited and burned. What we were after was a much larger spark, a big, fat flame!"

"And the conventional spark plug can't provide it?"

"No, it cannot. Every mechanic knows that."

"And the kid in the plane?"

"The P-40? What killed him was insufficient fire — a spark too skinny to ignite sufficient gas to give the engine instant power to climb up and over those trees."

"Why can't the spark plug give a fat spark?" I persisted.

The colonel spoke simply. "Because of its basic design. Every spark plug has an **air gap** — .025 to .035 of an inch — and the spark is no larger than the gap. No larger did I say? Only when the plugs are brand new is the spark even as large! Carbon forming immediately as the plug is put into use begins fouling, then ruining, the tip. The thin wire electrodes begin to wear away. The danger — and enormous expense — of this obsolete mechanism lies in these factors."

The answer to the spark plug was an igniter which had no airgap — which contained no wire electrodes — whose tip would not foul — which would not blow out even at the highest compressions . . . which would never need a replacement for the life of the motor.

Colonel Dollenberg went to Washington.

The Navy didn't accept him with open arms. The principle — fine! Let's see it work. And Dollenberg made it work. After the most exhaustive tests, he knew he was in. . . . Out went the spark plugs. The LS-702 Prototype was approved for U. S. Navy jet engine use; the Air Force followed suit.

If that had been it, it still would have made a good story — the revolutionary change that a former fighter pilot had effected in military aircraft. But that wasn't all. Dollenberg turned to the field of automobiles.

For more than 40 years the old fashioned spark plug had been the standard gas igniter for every car made. During that time engine power had soared from less than 20 horse to more than 300. Every year the puny spark plug with its skinny little flame became less able to do its job. The new high compression engines were now burning out spark plugs in a few thousand miles of driving. In 1957 Americans paid more than 500 million dollars merely to replace wornout spark plugs. To provide what spark plugs could not do, the big oil companies began to produce super and then super-super gas — at super prices! Not only were car owners spending a huge sum for plugs each year — they were also spending a fortune in premium gas for the privilege of keeping spark plugs in their engines. And even at that they were not getting their money's worth, as the new cars they bought very soon became sluggish ones.

If ever there was a call for a modern, efficient ignition mechanism to go with the modern automobile, this was it. Dollenberg heard the call. He marketed the LECTRA FUEL IGNITER!

There were problems. Little ones like designing the Igniter in the same size and shape as the conventional spark plug they were to replace. And big ones such as getting a small voice heard in the towering wilderness of the Detroit automobile kingdom. Dollenberg was helped by the shrewdness of fleet operators whose business depended upon efficiency and economy. Taxicabs running

triple-shift around the clock installed the Fuel Igniter and reported a 10-20% increased gas mileage per car! Truck owners followed suit — and then the motorist. In less than 12 months, sales of the Lectra Fuel Igniter zoomed into the million dollar stratosphere!

I asked Dollenberg about the Lectra advertising claim that had jolted motorists all over the country. "Colonel, you've made the guarantee that LECTRA FUEL IGNITER will save a car owner \$100 a year or that you will take back the igniters and refund their money. How do you arrive at that one hundred dollars figure?"

"It's based on the average of 10,000 miles of driving in one year. First there will be a saving of from \$10 to \$12 a year in eliminating spark-plug cleaning, gapping, and adjusting at 5,000 miles, replacement at 10,000 miles."

"Does that mean that the Fuel Igniter will need no cleaning or replacing for a whole year?"

"It means that the Fuel Igniter will **never** have to be cleaned or replaced! I mean that we guarantee that it will **outlast the life of any car!** Not only that: we are also guaranteeing that the Fuel Igniter will squeeze up to **6—maybe 8—more miles out of every gallon of gas purchased** the first year and every year—or we will replace them free until they do. That's a saving of \$40 per year. And it will do this using **regular gas—economy gas—not** the super gas bought at such walloping prices. That means a saving of \$50 each year. And the Igniters will do this every year of the car's life—they improve with age. **They never wear out!**"

As Dollenberg talked I drew up a chart. You can see it at the bottom of this page.

I said to Dollenberg, "Colonel, to a person like myself—a guy who drives a car well but knows next to nothing about its mechanism—who's always felt the car runs better after it's had a wash—how will I know right away I've really got something after I've switched from spark plugs to Fuel Igniters?"

The colonel twinkled at me in sympathy. "I've always felt it a pity they don't teach mechanics to all school children. I think I know just how you feel. Anyway — very seriously — please listen to this: The first time you press the starter after you've installed the Igniters (very simple — by the way), you'll hear and feel an instant clean throb of the starter and an immediate even roar of the engine. I tell you, you'll be astonished. Even on the coldest morning you'll get a thrill, listening to your motor kicking over instantly and then settling quickly into a smooth purr. As for stalling in traffic, like that fellow did this afternoon, that won't happen to you. Stalling is almost always traceable to a faulty spark—and the Igniter will not fault. Climbing and passing? Even a big 325 horsepower car can and does falter on a hill or when it tries to pass if suddenly the spark plugs aren't burning sufficient gas. That won't happen to you. Instead you'll climb and pass more

HOW MOTORISTS ARE SAVING \$100 A YEAR

	SPARK PLUGS	LECTRA FUEL IGNITERS	SAVINGS
Cleaning	several times a year	never	\$10 per year
Gapping			
Replacing			
Gas Consumption	600 gallons	465 gallons	\$40 per year
Additional cost	\$50 a year	not a cent	\$50 per year
of premium gas			
		TOTAL SAVINGS =	\$100 per year

swiftly than you've ever known because you'll be burning gas, not wasting it. You've heard about the simple exhaust test? Try it. First, with the spark plugs in place, let the engine idle and stuff a ball of white absorbent cotton into the mouth of the exhaust. It will come out soaking with unused gasoline. Then try it with Igniters replacing the plugs. The cotton ball will be almost dry. The gas burned instead of escaping through the exhaust. Or here's something else. Again with spark plugs in the car, go into gear — or in drive if you have an automatic transmission. Don't touch the accelerator. Now note how much the car moves forward—if at all. Then unscrew the plugs and replace the Igniters. If you stood still with spark plugs you'll move forward from 4 to 6 miles an hour with the Igniters while not touching the gas pedal! The gas that was required with spark plugs in your car merely to idle your motor without being able to move it forward, carries you forward up to six miles an hour with Igniters in the engine! One more final thing—with spark plugs a car must be looked over and adjusted several times a year. You know that from your own experience. But can you appreciate the con-

I got up to go, convinced that Dollenberg's quiet confidence was well-founded. The product and the man were right for each other. Here's an incident which impressed me. A short time ago, LECTRA ran a mail order advertisement in the sober New York Times. One of the replies they got was from a gentleman in Pennsylvania who put it to LECTRA right on the line. Said the Pennsylvania man:

"I've read your ad in the New York Times. What I want you to do before I order a set is for you to send me a copy of that ad through the United States mails. Then if your Fuel Igniters won't come through with all those fancy promises — and if you don't send my money back if they don't

perform as you say — I'll have Uncle Sam on my side while I go after you." The hard-bitten Pennsylvania man sent the ad through the mails, all right. And he ordered a set of Fuel Igniters. LECTRA wasn't fearful that Uncle Sam would be after them. Because — and here was the kicker — **Uncle is a LECTRA customer!** A large U. S. Government agency, after field-testing 5,000 Fuel Igniters ordered 25,000 to replace every spark plug in a fleet of 3,000 key vehicles!

So that's the story of The Big Fat Flame. I'm leaving a little space for a message from Col. Dollenberg. Meanwhile I'm on my way outside to the garage with my set of Fuel Igniters. I can't wait to get rid of those spark plugs!

This article has been presented both as an advertisement for the Lectra Fuel Igniter and as a public service. Especially do I wish to emphasize the words **public service**. It is flattering to be imitated, it is said, but since the invention of the Lectra Fuel Igniter, there have appeared so-called "imitations" which have failed to perform as promised.

We state, flatly and sincerely, that we can back every claim that appears in Mr. Mayer's story. Please look very carefully at the table which follows. It has been prepared from the research of one of the nation's leading Consumer Surveys:

RECORD OF PERFORMANCE — LECTRA FUEL IGNITERS NOTE—All Lectra-equipped cars in these tests used REGULAR GAS (Compiled from Consumer Reports and Field Tests)

YEAR	Make of Car	Spark Plug Miles Per Gallon	Lectra Fuel Igniters Miles Per Gallon	Miles Increase	(Gain) Extra Miles Per Gallon
1956	Chevrolet V8	17.7	22.2	24%	4.5
1955	Nash Rambler	20.0	27.6	38%	7.6
1954	Plymouth 6	22.2	26.0	17%	3.8
1955	Ford Fairlane	14.0	21.2	50%	7.2
1957	Chrysler Windsor	16.5	21.0	20%	3.5
1954	Oldsmobile 98	15.5	18.0	14%	2.5
1957	Dodge D-500	16.0	21.5	35%	5.5
1951	Buick Super	13.0	17.0	22%	4.0
1956	Plymouth V-8	16.0	20.0	25%	4.0
1955	Oldsmobile 98 (air-conditioned)	15.0	20.9	40%	6.0

All above figures confirmed by letters and reports available from our files in New York City.

Nothing is as exacting — as compromising — as cold statistics. In the final analysis, nothing will prove to you the extraordinary benefits of the Lectra Fuel Igniter as its performance in your own automobile.

Therefore we guarantee (and stake our reputation and our business on this guarantee):

That Lectra Fuel Igniters must be everything we say they are, everything we have led you to expect. They must make your car perform as you never thought it would and on **regular gas**. You must IN YOUR OWN JUDGMENT get easier starting, faster pick-up improved economy (to conform to the table above) or you can return them after a 10 day trial and get back every cent you paid — without question and without delay. What's more — they must **continue to function** properly for the life of your car or they will be replaced until they do.

We've taken a lot of your time in presenting our story. Now there's nothing else to say; the rest is up to our Fuel Igniter. If you want to try them (bear in mind our guarantee) they will be rushed to you as soon as we receive your order. For your convenience we are adding a coupon to the bottom of this page. If you'll fill it out, and mail it I can promise you the most exciting automobile experience you've ever known.

Sincerely,

Led. P. Dollenberg

Lectra Fuel Igniter Co. Dept. K-3
11 East 47 Street, New York 17, N. Y.

Rush my Lectra Fuel Igniters by return mail on your money back guarantee.

☐ I enclose \$12.60 for 6 Igniters

☐ I enclose \$16.80 for 8 Igniters

☐ I enclose \$.....for.....Igniters at \$2.10 each

☐ Send.....Igniters C.O.D. I enclose \$1 deposit and will pay postman balance on delivery plus shipping charges.

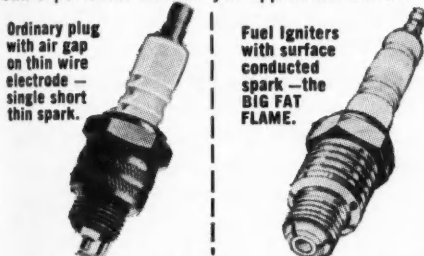
My car is.....year.....make.....model

.....no. of cylinders

Name

Address

CityZone.....State.....



cept of never, never having to remove or change spark plugs because you don't carry any? The concept of Fuel Igniters becoming permanent installations in your engine — for the life of your engine?

"Yet, with all this — believe it or not — I still haven't fully answered your question . . . How you'll use more air and less gas . . . the savings on your battery . . . increased RPM . . . how carbon — the enemy of spark plugs — actually increases the efficiency of Fuel Igniters. But what I've tried to say is that the spark plug is as inferior to the Fuel Igniter as the wagon is to the modern automobile. And just as out-dated. Auto mechanics know this now. The ordinary motorist is learning about it fast."

"One last question: What about Detroit, Col. Dollenberg? Do you feel you're fighting a crusade?"

Dollenberg looked out of the window, out into the dusk of the city. There was a reflective quietness about him as he thought of his reply. Then he said: "No, we don't believe we're fighting the big spark plug manufacturers. Oh, there's bound to be a competitive fight soon because it's a matter of only a short time before these giants will all scrap their investments in the obsolete spark plug and turn to the manufacture of fuel igniters. Meanwhile — to put it quite candidly — there is, of course, that huge investment in stocks of spark plugs to liquidate and while the big fellows are attempting to unload, LECTRA will be booming along." The grin came out again as he said: "I hope they take their time about it. At the rate we're going we'll be big enough to take care of ourselves shortly."

Holding Down Those

Modernize Equipment — and Personnel! Say Voices of Experience

INFLATION is a master strategist in its war on the economy. It knows the advantages of simultaneous attack on many fronts. It inflicts its own C upon Credit Operation—COSTS.

Mighty important to successful credit management these days is control of the soaring expenses of office functioning. Waste can eat up much of the profit added by bringing in new accounts, counseling customers onto the high road of business-in-the-black, and of course protecting receivables.

Hence our invitation to representative credit executives to tell what they are doing to streamline operation for maximal profitable production—in system, methods and procedures, new equipment, supplies, layout, handling of personnel, in other areas.

Emphasized in their articles is the recognition of savings effected by spending on modernizing, besides the many other successful approaches to the objective of holding costs to a working minimum. The first instalment follows.—Ed.

Receivables, Credit Records Now on Automated System

LESTER E. FRANKENSTEIN, *President and Director,
B. Kuppenheimer & Co., Inc., Chicago, Illinois*

BECAUSE of the need for accurate and complete information in a very short time after the close of monthly accounting periods, our company has put all accounts receivable and credit department records on IBM equipment. We now have much better information at a lower cost.



L. E. FRANKENSTEIN

In its 83 years of existence, our company had developed a number of traditional type credit department procedures, all posted by hand or bookkeeping machine in the course of the month. Usually, it took at least

10 days after the end of the month to get accurate information on the status of our accounts.

Now, by the close of business on the last day of the month, we have mailed to all our customers a statement of all open items on our books, that is, aged, showing those that are current, those one to thirty days past due, and those over thirty days past due. This has minimized the problem of keeping our accounts receivable records in accord with those of our customers. It has also sped up our collections.

On the morning of the first working day of the month, we have a complete aged trial balance for our total operation, as well as each specific account. With the use of the new 557 IBM Interpreter, we have a history of the status of each account at the end of each monthly accounting period.

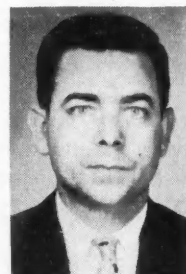
Instead of referring to a ledger that was shared with the accounts receivable department, the credit department personnel now have a detailed listing of each delinquent account on their own desk, all the time.

All this has been achieved by use of the excess capacity of our tabulating equipment. We have been able to reduce the accounts receivable personnel and allow the credit department to spend its entire time on developing better credit files and taking current action on the accounts.

Receivables Records System Cuts Costs, Raises Efficiency

NOBLE M. MCGUIRE, *General Credit Manager, Cabin Crafts, Inc., Dalton, Georgia*

MIDNIGHT oil burning for the purpose of balancing conventional accounts receivable controls with old-fashioned ledger cards is a thing of the past at Cabin Crafts. Credit Department expense has been reduced and efficiency increased by adopting an IBM procedure for maintenance of receivables records, and for preparation of information for credit use.



N. M. MCGUIRE

Recording accounts receivable charges and credits is by the familiar punched card, and is obtained on tabulating machines as a by-product of our billing process. The cards, one for each invoice and credit memorandum, are merged mechanically into an open item file maintained geographically and alphabetically by names of customers making up our accounts receivable ledger. This eliminates the need for the time-consuming process of posting each item with a bookkeeping machine. The application of cash is simply a matter of removing the paid items from the open file. This is also a faster process than the conventional bookkeeping machine method of applying cash.

This system is in use by or has been tried by many companies. They have not been satisfied with their experience because, contrary to the efficiency from an accounting standpoint, the plan basically leaves no convenient history of customers' purchases and payments for use in credit decisions. To overcome this disadvantage we have devised a summary card to replace the ledger card.

The reverse side provides spaces for posting payments. One column is headed "High Credit". When the first payment in the fiscal year is received from a customer, the total to the nearest \$100 of all unpaid items is recorded as the high credit. As additional payments are received, open items are added, and if the amount is more than the previous high credit a new high credit is recorded. The operation takes very little time. It is usually sufficient

Soaring Office Costs

to approximate the total of the open items without resorting to an adding machine.

To speed up approval of orders for established customers, an aged trial balance is quickly prepared at frequent intervals. Established credit limits are recorded on the aged trial balance against which orders are checked. Orders can be approved, without reference to the ledger, unless it would increase the amount owing above the credit limit or unless the account is past due.

Speeds Warehouse Releases

A copy of the aged trial balance is sent to our several branch warehouses, permitting them to release orders immediately unless the customers owe more than their credit limit, or unless they are past due. In addition, our branches have permission to approve credit on their own judgment within certain limitations, based upon the experience and ability of regional office or credit managers.

Under this system it would be an easy matter to prepare monthly statements, but we have elected to furnish customers statements of only past due items. Statements are prepared on a cycle basis, and they are used for our past due follow-up.

The time of several bookkeepers is eliminated, and efficiency is much improved by this procedure resulting in lower total operating cost for our credit department. Also, the system can be expanded very easily to accommodate an additional volume of business.

Phone Preferred to Letters In Counseling Customers

A. K. WILSON, *Credit Manager, Hunt-Marquardt, Inc., Boston, Massachusetts*

WE ARE wholesale automotive jobbers and, because of our size, do not have cost problems to the extent that a larger concern has. We do, of course, have our cost problems—everybody does who is in business today, especially the wholesaler—and we do endeavor to handle our credit problems with the least possible expense.

The radius of our operation is 35 to 50 miles from Boston with four branches. We find it more economical to do our collecting by telephone than by letter. The real expense is determined by the degree of "successful selling" on the part of the credit manager. If you can obtain your remittance with one call you have "made a sale."

We provide our main store salesmen and branch managers with overdue lists on the second of each month, and receive much help through this source in the collecting of past due accounts. By telephone conversation, however, we can learn the customer's problem. If it is one in which we can help, we offer advice and counsel, and, through our sales force, do our best to keep our customer in business.

Experience has shown us that a customer who is slow today may discount tomorrow. Therefore, where it is deserving, a little leniency shown when help is needed

creates a closer bond and spreads goodwill for the future.

We also provide the salesmanager monthly with statistics from the accounts receivable ledger that enable him to reevaluate a customer and to discuss with his salesmen the value of an account to both salesman and company.

These are the things that to me demonstrate the value of any credit manager to his company: cooperation among customer, sales, and credit.

Training Other Departments In Routine Credit Checking

MISS ANTOINETTE REHRAUER, *Secretary, Office and Credit Manager, Peerless Confection Company, Chicago, Illinois*

OUR training program for new personnel is based on shortcuts and we stress that *time is money* and *space is valuable*. Credit files are kept in date by constantly weeding out correspondence and making way for new history-making facts.

During our off season, we spread credit department interest to other departments by training folks in routine credit checking. Thus all related departments are alerted to watch for changes in the names of proprietors, trade names, street addresses, signatures on checks, which all add up to the fact that it is difficult for a new owner to ride along on his predecessor's credit.



MISS REHRAUER

We keep informed by sending a representative to credit conventions, local credit conferences, trade group meetings of the association, forum meetings, educational programs, and in maintaining a membership in the Credit Interchange Bureau. Through our Manufacturing Confectioners' Trade Group, we receive daily flash notices of changes in ownership, addresses, insufficient-fund checks and accounts referred to attorneys for collection.

A great deal of time is saved and good results are obtained by charging back unearned cash discounts through invoicing rather than letter writing. Another time saver and 90 per cent successful is a first reminder on a past due invoice in the form of a printed self-addressed return envelope (postage to be paid by the addressee) with a message which reads "Our Story is Inside". The inside flap of the envelope carries a message and statement. It is easy for the debtor to enclose a check, seal the flap and drop it in the mailbox. We also use the telephone and telegrams. Postage is saved by discontinuing the sending of statements except on chronically slow accounts, disputed items and credit balances.

An often used quotation of Benjamin Franklin is "Waste neither time nor money but make the best of both". This is just what we at Peerless are striving to do.

Keynote for Management: Service by Teamwork

NACM President Holmes Says Good Executive Never Stops Studying

"There is no substitute for personal contact in credit and collection functioning . . .

"There is no greater satisfaction in credit operation than seeing a so-called marginal account advance his position and watching the financial progress of his business . . .

"A successful credit executive never ceases studying and learning . . .

"Our field credit representatives can be the best salesmen in the company."

EPITOMIZING preparation and practice of successful credit management, these four excerpts from the credo of William L. Holmes bespeak in part the wide vision the new president of the National Association of Credit Management brings to his high office.

Add his early experience in retail credit, the facts that he established the credit policies of his company, formed the department administering them, and then supervised the decentralizing of the operations into divisional operations, and his well-rounded aptness for the post is evident indeed.

Service to Community

The vision that guides his business career has its counterpart in the community life of William and Doris Holmes at Houston, Texas. Both have given years of service to the West University Methodist Church, with their three sons—W. L. Holmes, Jr., and family; John G., now in college, and James O., high school student. The senior Mr. Holmes has been a member of the board of stewards of their church.

His interests in civic progress are many and varied. He served many years in official capacities in the United Fund drives. From Junior Chamber of Commerce to Houston Chamber his counsel was ever-present. He helped found the Afton Village Civic Club, protecting property interests of citizens in the area as well as keeping them informed on



William L. Holmes and NACM's gracious First Lady

governmental matters. He is a member of taxpayers' groups and associations in several states in which his company operates. For years he provided guidance to the Cub Scout and Boy Scout movements and he is a member of the Central Lions Club and the Riverbend Country Club.

For his first 14 years William L. Holmes lived in Lexington, Tennessee, where he was born on March 24, 1912. Moving to southern Arkansas, he was graduated from high school at Stuttgart and entered Arkansas A.&M., later transferring to Hendrix College in Conway, Ark., receiving

his degree in business administration in 1933.

Mr. Holmes' interest in the arts is manifold and manifested itself early. He played the trumpet in the high school and college bands. He was an enthusiast in the Little Theatre movement at college and participated in presentations of the arts and letters department, particularly in one-act situation plays.

Into business, Mr. Holmes began in the public utilities field as a trainee for the Arkansas Power and Light Company. Working out of Magnolia, Ark., for three years he

performed a breadth of duties—office, lineman, director of a sub-station. When the Mid-Thirties produced problems for utility companies, he turned to other fields and thereby became a Texan. That was in 1936.

The Houston division office of Goodrich Tire and Rubber Company was his first stop—as a general order clerk. After two years he associated himself with Firestone Tire and Rubber Company as operating manager of one of its retail stores there. Followed a year in the accounting department of Firestone's general district office, thence to a Firestone retail store as credit and operating manager.

Affiliation with Schlumberger Well Surveying Corporation began in March, 1941. It was a start from scratch; there was no designated credit and collection department and it became Mr. Holmes' job to organize one. He was advanced to assistant treasurer in November, 1950, and in January this year he supervised decentralization into seven divisional credit operations.

Organization-Minded

Organization-minded from the beginning, Mr. Holmes has been very active in both local and national association advancement. Two terms president of the Houston Association of Credit Men, Inc., he has exerted a progressive influence also on most of its committees. Formal speaker or panelist at many district conferences, he has also been attending national conventions since 1947.

Elected a director of National in 1951 for a three-year term, he was general convention chairman at the 56th Annual Credit Congress, in Houston in 1952. Mr. Holmes played a significant role in formation of the Southern Division and was named divisional vice president in 1955.

Attesting the educational aspects of his many-faceted interests in advancement of the profession, which have made him so wellknown in business circles throughout America, was his election in 1957 to a three-year term on the board of trustees of Credit Research Foundation, Inc.

"A credit executive, to be successful, never ceases studying and learning," Mr. Holmes believes. "It is sometimes easier to acquire that learning through formal education

(Concluded on page 18)



You insure it when you own it ...why not when you don't?

When shipment is made—title passes to the purchaser. In place of your product there is now an account receivable. It is sound to insure while you own the product . . . equally sound to insure when *your customer* owns the product, and owes *you* for it. American Credit Insurance, by protecting accounts receivable, plays a major role in good management . . . makes a basic contribution to financial security and sales progress.

SEND FOR BOOKLET on the many advantages of modern credit insurance. Write AMERICAN CREDIT INDEMNITY COMPANY of New York . . . Dept. 47, 300 St. Paul Place, Baltimore 2, Md.



Protect your investment in accounts receivable with American Credit Insurance

ANY ACCOUNT...NO MATTER HOW GOOD...IS BETTER WITH ACI

A manufacturer cannot drive an independent dealer to build his business, even though the dealer would benefit from a little driving. The credit manager can, and frequently does, show him how to improve his profits, but ambition is the necessary spur to effort, and where it is lacking there is little hope of progress.

Some years ago, when I was associated with another company, we had a customer who operated a small store, selling equipment for the preparation of food. In addition to over-the-counter sales, he sold to hospitals, institutions and restaurants.

The business was a proprietorship. The owner had inherited it from his father and his business experience was limited. His character was excellent from the standpoint of honesty and good intentions, but there was one vital element lacking—ambition. Feeling that he was doing all right, he was not aggressive, but he overlooked the principle that no business which is standing still is

MANAGEMENT AT WORK

... a problem case is solved

By C. H. BRODIE, *Credit Manager,*
A. P. Green Fire Brick Co., Ltd., Toronto

reany successful in its operations.

Under those circumstances, there was not much we could do to goad him towards success, and increased sale of our products.

But one day he came to us full of enthusiasm and plans. Attendance at a convention had planted in him a very vigorous desire to become a millionaire overnight. He had been making an adequate living but no more. Now, he suddenly wanted to move to larger and fancier premises, carry a larger stock, and become

rich. He thought that it would be simply a matter of expanding and then taking orders with both hands instead of one.

Through the years he had maintained a fair-to-slow payment record, while turning over relatively small quantities of our products. Now he requested additional credit amounting to some \$20,000 on the yearly average, but he was not able to give us any specific assurance of the soundness of his plans.

The request for credit, reflecting the abrupt addition of ambition to his business assets, permitted us to offer our advice and experience. Although we had met the customer at meetings and industrial shows, we never had visited his premises. We therefore asked him to prepare his latest financial figures, and a review of his finances over the preceding five years, and arranged to travel to his city to discuss the matter. We also asked him to go over his plans with his bank manager before we arrived.

Visit Reveals Problems

Our visit was well worthwhile. It clearly revealed difficulties and their sources. At the outset he reported, sadly, that his bank manager would not help him with his plans, for his only assets were his name and his stock-in-trade, which the bank would not accept as collateral.

His store was small, crowded, dimly lit, and unattractive from the outside. On the other hand, it was in an excellent location, although within five minutes walk of a more aggressive competitor.

We very carefully reviewed his financial operation. At once we discovered an item which stood out like a sore thumb. His cost of operation was far too high, due entirely to his ignorance of proper accounting



FIGURES and figures. (Left to right) P. C. Rosevear, chief accountant of A. P. Green Fire Brick Co., Ltd., Toronto; W. G. Twynning, general manager, and C. H. Brodie, credit manager. Mr. Twynning, former general manager of A. P. Green of Michigan, is a graduate of the school of mines and metallurgy of the University of Missouri. Mr. Rosevear has been the company's office manager and chief accountant for a number of years.

SINCE 1956 C. H. Brodie has been credit manager of A. P. Green Fire Brick Co., Ltd., Toronto.

For four years earlier Mr. Brodie had been credit manager of Berkel Products Co., store equipment, and for the same span of prior years he had been assistant credit manager of Remington-Rand of Canada.

methods and his general lack of experience. His volume over the past years should have been providing a profit for reinvestment in the business, but there had been no such profits, and the proprietor had been taking home a modest salary.

We exchanged several visits in the ensuing month, and by discussion evolved what appeared to be a workable plan. We came to the conclusion that if recognized accounting and business principles were put into effect, there was no reason why he should not be able to expand on the basis of increased profits.

For a start, we persuaded him to drop his plans to move. He had wanted to take new quarters where he could handle a larger stock, but his lease had three years to run at a moderate rental, and his present location was excellent. We showed him how to save storage space, pointing out that we could ship direct on his order so that he need only retain sufficient stock to show to his customers. Under the arrangement, he needed less storage space than he had required in the unambitious days. This, in itself, effected a saving for him in storage and other costs.

Advertising Program Recast

One of his efforts which appeared to have been misdirected was his advertising program. He had been running a small advertisement regularly in daily newspapers, but, although the papers were read by thousands, it was probable that his ads were seldom seen by his potential market. We helped him map a new advertising program, confined to media which reached his prospective customers—trade papers and the like. The value of the new program was amply demonstrated when first queries and then orders came from customers who never before had heard of his business.

Next, we helped him make over
(Concluded on page 18)



Start of
many a
wise
credit
decision—

a Long Distance telephone call

Should you or shouldn't you OK that new account? It's vital for you to have the facts before you make up your mind.

That's where Long Distance proves itself a mighty handy tool, because it can put you in direct touch with sources of information, give you the facts quickly and at low cost.

You'll find it's a lot easier to make a wise decision when you make a Long Distance call first.

BELL TELEPHONE SYSTEM

Long Distance pays off! Use it now . . . for all it's worth!



Electronic Processing Gives Credit Executive More Management Time

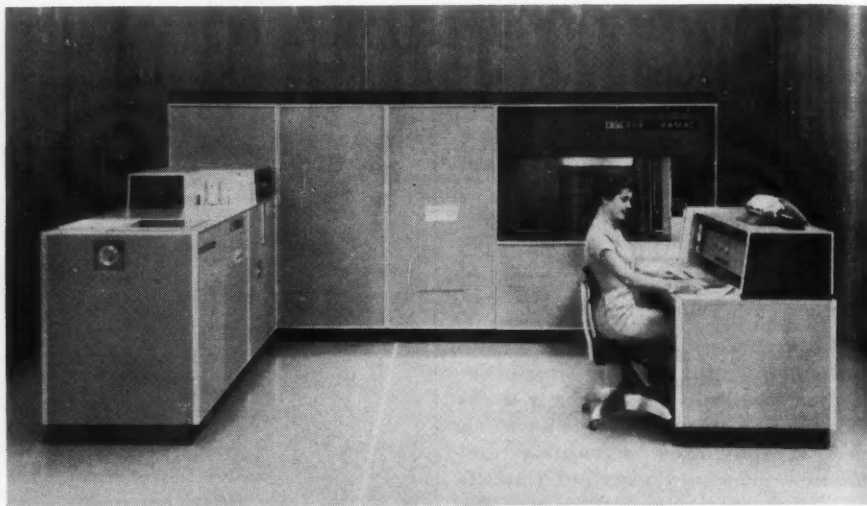
CREDIT managers with companies which have major computers on order, or under serious consideration, would do well to have a long serious talk with the electronic data processing planners.

This was one of the most immediate conclusions drawn from the experience of Factory Motors Parts, Inc., San Francisco, one of the first companies in the country to apply an IBM RAMAC 305 to the processing of customer orders, following studies directed by Charles F. Clayton, manager, data processing. "Almost overnight, the tremendous capacity of electronic equipment brought an entirely new depth and dimension" to credit management for this automotive parts distributor.

Factory Motor Parts is a factory distributor of parts for all Chrysler automobiles and trucks. It maintains a 40,000 square foot warehouse with working inventories of 25,000 separate parts. Monitoring 2,500 accounts, which include new car dealers, independent garages and service stations throughout Northern California, comes under the duties of credit executive Carl Zeh.

Basically, use of a machine like IBM's RAMAC for order processing allows a credit manager to apply more of his time to the area where it can be of greatest value—in helping to supervise his company's financial soundness. The details of inspecting hundreds of orders every day to audit and verify individual account credit has, in the case of Factory Motor Parts, been reduced to a routine under which the credit manager's instructions are committed to the memory of the RAMAC 305, which carries out all directed audits and controls as an automatic by-product of order writing.

From a credit standpoint, Factory Motor Parts deals with a trade which requires continuing and close scrutiny. This is a field subject to sudden and severe economic pressures. A credit manager in this situation needs all the time he can get to keep up with financial trends, both of the field as a whole and as they concern individual customers. The idea at Factory Motor Parts is to



MAJOR ELECTRONIC SYSTEMS like this RAMAC 305 (similar to installation at Factory Motor Parts, Inc., San Francisco) make data processing a more creative management job. The 305 RAMAC (Random Access Method of Accounting and Control) of International Business Machines Corporation is a compact data processing machine which is built around a disk memory unit (seen in background) having a storage capacity of 5,000,000 digits. Fifty magnetic metal disks have data recorded on or read from each side by a rapidly moving arm. RAMAC also has arithmetical and logical processing ability, punched card input, and both punched card and printed output. Control center is at the operator's console at right.

Introduction of RAMAC "in-line," rather than "batch" data processing, may alter the course followed by business accounting for last 50 years.

free the credit executive to spend virtually all his time on the management end of the job, leaving all the details to the RAMAC 305.

Under the present order processing system at Factory Motor Parts, the credit manager no longer has to screen all incoming orders. The IBM RAMAC does it for him as an integral part of its data processing program. Incoming orders, therefore, can now be sent directly to the data processing department, making it possible to get them into work that much sooner. At a single control desk, incoming orders are quickly coded with basic description such as customer number, shipping instructions, verified parts numbers, and other data.

Mr. Clayton gives the full picture as follows:

"IBM cards punched to enter data into this cycle need only basic numeric descriptions such as customer number, part number and quantities. Full alphabetic and numeric descriptions are contained on

the IBM RAMAC 305's memory disks. In the course of routine order processing, the IBM RAMAC makes literally scores of "logical" choices on how to process data, selecting applicable programs from among some 1,200 stored in its memory network."

History and Credit Check

As part of this cycle, the RAMAC 305 accumulates a full scale history for each customer and performs a thorough credit check. As an integral part of this memory, the RAMAC 305 incorporates, accumulates and updates:

A full sales history for each customer. The total amount of each current order is added to sales statistics already in the memory. Automatically developed, then, are a month-to-date sales figure and a complete 30, 60, 90-day aged trial balance for each customer. In other words, as part of its routine processing of every order, the RAMAC 305 checks to see how much each

"Electronic credit control gives the credit manager a chance to personalize or humanize his job to a greater degree. The tedious clerical chore of screening credit limits on current orders is all but eliminated. Our RAMAC 305 does this. Now, we can devote more time to our company's best interests in establishing and carrying out credit policies. The stature of our credit operation has increased greatly.

"With the increased capacity of these new machines, executives are less occupied with the mechanics of paper-handling and can increase the scope and value of their management functions."—Charles F. Clayton, Manager, Data Processing.

customer owes Factory Motor Parts.

A credit limit check. As it develops the outstanding balances against each account, the IBM RAMAC compares it with a credit limit set by the credit manager and read into the machine's memory. If the credit limit has been exceeded, the instrument adjusts its output so that the current order is placed on a COD basis. Any orders thus flagged by the electronic computer are referred to the credit manager for his special attention and consideration.

So, when the credit manager at Factory Motor Parts is given an order to review today, it is for a specific reason. He no longer has to spend a considerable portion of his time on routine clearance of accounts in good standing. The RAMAC 305 handles this portion of the work for him.

Factor in Setting Credit Lines

In the overall supervision of accounts and setting up lines of credit, the IBM RAMAC is also invaluable. As a matter of fact, possibly the best demonstration of the tremendous capacity of this electronic device lies in the fact that it computes and prints a complete aged trial balance on all 2,500 accounts in just one hour. Routinely, this aged trial balance is developed on the first of each month—complete with the inclusion of orders processed through the close of the previous day. In this single job alone, the IBM RAMAC completes its performance in two or three per cent of formerly required time. Just as important, credit management has its vital working figures a full week to 10 days earlier than they have ever been available in the past.

With this figure work capacity, it is, of course, a relatively simple matter for the credit manager at Fac-

tory Motor Parts to call for special reports to be drawn from the random access memory of his firm's computer when and as he needs them. For example, when there is a question regarding the status of any one of the 2,500 customers, the IBM RAMAC will seek out complete information and print it for ready reference within 10 seconds.

All of these credit management benefits, it should be stressed again, are virtually automatic and cost-free by-products of the routine order processing job for which the IBM RAMAC 305 was originally ordered. The chief reason these benefits have been achieved is that the management of Factory Motor Parts took the trouble to analyze its data processing potential well in advance of the ordering and installation of its computer. From the experience at Factory Motor Parts, it is easy

to see that the credit manager of any company whose management is actively considering installation of a computer would do well to analyze the potential of electronics in making his own work more efficient and effective.

Government Lending Programs Are Rigidifying Economy: ABA

Expanding Government lending programs, which now represent about one-sixth of the outstanding private debt and permeate all major credit markets, by favoring one economic activity or social group over another "restrict the mobility of resources, create hidden subsidies, encourage speculative use of credit," and have introduced "rigidities into our financial structure which constitute a long-range threat to economic stability and realization of the economic potentials of the nation," the credit policy commission of the American Bankers Association notes in a report.

Federal budget estimates are that by June 1960 existing lending programs will reach a total outstanding of \$105 billion, including \$23 billion direct loans and \$82 billion guaranteed or insured loans. This compares with June 1958 amounts of \$18 billion direct and \$59 billion guaranteed or insured, and June 1945 amounts of \$5 billion direct and \$6 billion insured or guaranteed loans, notes the ABA.

PRODUCTIVE DOLLARS FOR INDUSTRY

Of interest to Principals—Banks—Attorneys—Accountants and Business Brokers

**we will pay \$1,000,000 to \$5,000,000
for a business**

To add to the Aetna Industrial Group. Dealing with us is simple and direct. We buy for ourselves and endeavor to retain present management and personnel. If the deal fits our **Special Formula**, you may realize *more*. We prefer to pay **All Cash**.

Current earnings are not all important to us so long as it is an old established company and if we can be satisfied that our financial resources and business guidance can expand the business and its profits.

A merger with one of our own companies will also be considered. Needless to say, all negotiations are confidential. (Brokers or finders absolutely protected).

Address Walter W. Weismann, Chairman or any other executive officer.

Aetna Industrial Corporation

565 Fifth Ave., N.Y. 17



Tel. OXford 7-8989

Capital & Surplus \$7,000,000 • Capital Available \$10,000,000

William L. Holmes

(Concluded from page 13)

than in actual practice. Formal education provides a shortcut to practicable knowledge and functioning of a credit executive. Our association, in its National Institute of Credit and its Graduate Schools of Credit and Financial Management, opens these educational opportunities to him."

Emphasizing his conviction that "there is no substitute for personal contact in credit and collection functioning," Mr. Holmes says: "I am a firm believer in meeting the customer face to face. One can use letters and the telephone to a certain point, but beyond that it is all-important to know the customer—his background and experience, his standing and character, and therefore from his potentialities.

"There is no greater satisfaction in credit operation than seeing a so-called marginal account advance his position and watching the financial progress of his business.

Credit Limits Seldom Used

"At Schlumberger we do not as a rule use credit limits in our operations. We depend on two C's of credit—Character and Capacity—more than the third—Capital. The customer's financial position may change in the relatively long course of an operation, but if he has demonstrated good character and capacity we will supply him.

"If his is a marginal operation, we will show him in what respect his financial program has not been on the soundest foundation, help him reshape it, and suggest policies and methods to achieve a maximum sound profit for himself as well as the supplier."

What steps should a new entrant in the credit field take to improve capability to succeed? "In our company we pursue the following practice so far as is possible. First, we have him sign up for the credit courses offered in connection with the local association and his local Group. We urge that he participate in civic and community welfare programs."

In the Schlumberger organization the formal sales department is relatively small, but "all our engineers are salesmen as well. Under our de-

CONNECTICUT GETS COMMERCIAL CODE

The Uniform Commercial Code has been adopted in Connecticut, making that the fourth state to go over to the Code. The new law will become effective in Connecticut on October 1, 1961.

Kentucky was the third state to adopt the Code and it will become effective there July 1, 1960. In Massachusetts it went into effect last October 1 and in Pennsylvania the Code has been in effect since July 1, 1954.

As in Massachusetts and Kentucky the Code is a modified form of the original Pennsylvania Code, with various technical improvements made in the light both of Pennsylvania experience and of various recommendations based on the New York Law Revision Commission study of several years ago.

centralized system we emphasize to our field credit representatives that they can be the best salesmen in the company in getting the business of the so-called marginals and making as certain as possible that the company will be paid. Of course in some instances there is a thin possibility of a loss.

"Credit has become an especially important factor in our type of operation. Good credit rating established by an oil operator is one of his greatest assets.

"In the end it is the results that count—not the tools. The place that the credit department will occupy in the overall management of a company will be determined by the results it obtains."

In one word, then, the new president sums up both opportunity and challenge to the National organization and to individual credit executives alike: Results!

Standard Financial Moves; Silbert with Firm 25 Years

Standard Financial Corporation officially opened its new building at 2 West 45th Street, New York City. The occasion also marked the 25th year with the company of Theodore H. Silbert, who was its first employee and has been its president since 1946.

C. H. Brodie

(Concluded from page 15)

his premises. After he had carried out a thorough cleaning and repainting job, at moderate cost, our sales manager, who had sat in on the discussions, gave him guidance in layout and utilization of the increased space now available.

We arranged for the services of an accountant, who went in every two weeks to put the books in order, and taught the dealer how to keep things in shape from day to day. He also effected a good saving by his advice on the tax structure.

Merchandising Plan Changed

Finally, we persuaded him to change his whole merchandising method. We urged him to get out and go after business, hiring a man to run the store and handle mail orders (some 30 per cent of his volume).

Under these new conditions, the bank was persuaded to extend an overdraft to bridge the gap between his deliveries and receipt of payments. With this assistance he was able to keep our account in fairly good order at around the 60-day level.

Progress Slow at First

At first the progress was slow. He had to learn that the profits do not simply walk in, but he was much happier under the new, aggressive sales policy. We kept the account under close supervision for some months, and then progress became apparent. At one stage it was necessary to caution him against drawing too heavily on the new profits to improve his standard of living. We were successful in persuading him to stick to a definite weekly salary, plowing the remainder of the profits back into merchandising, advertising and business expenses.

Today the customer is still in the same premises, but he has four salesmen on the road, traveling through three provinces. One of them is his eldest son, who will presumably one day inherit the business. His volume is still growing. He has remained loyal to us, in spite of many competitive approaches, and his frequent recommendations of our product have brought us leads to additional business.

Guides to Improve Executive Operation

KEEPING INFORMED

PLANT SECURITY SERVICES for manufacturing and process industries are reviewed in 16-page brochure of the Pinkerton agency. Prevention of in-plant thefts, fires and damage to property, maintenance of safety and vehicular rules, Pinkerton policies and industrial uniformed guard services are covered briefly, explicitly. For copy, write Pinkerton's National Detective Agency, Inc., Att.: J. O. Camden, 154 Nassau St., New York 38, N.Y.

GRAPHICAL PRESENTATION with the Univac 120 Punched-Card Electronic Computer—Accounting data, as well as research and manufacturing data, benefit from a graphic presentation. Manual U-1471 describes automatic methods devised to prepare data into graphical form. Free, from Remington Rand Division of Sperry Rand Corp., 315 Fourth Ave., New York 10, N. Y.

STENOGRAPHIC MANUAL, compiled for bank personnel, covers fundamentals applicable to other businesses as well. Thirteen chapters cover range of topics from elementary care of typewriter, dictating and transcribing machines, to letter forms, telegrams, grammar, spelling, capitalization, obsolete phrases. Bound in looseleaf form so users may insert examples of their own letter styles. Price \$2 copy; discount on quantities. Write to The National Association of Bank Auditors & Comptrollers, Suite 1176, 38 So. Dearborn St., Chicago 3, Ill.

FORMS for listing financial information about operation of pension funds, a requirement of the Federal Disclosures Act, are obtainable from Div. of Welfare & Pension Reports, Bureau of Labor Standards, U.S. Department of Labor, Washington 25, D.C.

Informative reports, pamphlets, circulars, etc., which may be of interest to you. Please write directly to the publisher for them. CREDIT AND FINANCIAL MANAGEMENT does not have copies available.

To expedite receiving booklets described below in this column, address all inquiries concerning Efficiency Tips to CREDIT AND FINANCIAL MANAGEMENT, 229 Fourth Ave., New York 3, N. Y.

EFFICIENCY TIPS

767—"Better Business Communications" booklet tells ways in which "Thermo-Fax" copying machine of Minnesota Mining & Manufacturing Co. can cut costs, save time in office or shop.

768—"List o' Trades and How to Reach 'Em," 62-page comprehensive directory of mailing lists and direct mail services available from W. S. Ponton, Inc. Free on request.

769—Bendix Corp. electronic data processing system incorporating G-15 digital computer and CA-2 coupler is intended to provide low-priced punched-card computing system for smaller businesses. Descriptive literature.

770—"Ideas in Action," 48-page book of Allen Hollander Co. contains hundreds of suggestions for label and tag uses in packaging, promotion, advertising. Free.

771—"Plain-Vu" ready to use precut plastic lamination sheets for permanent preservation of papers are described in free brochure of Carr Corporation, Dept. T-21.

772—"A Practical Look at Bank Automation" 19-page brochure of Burroughs Corporation describes five progressive approaches to automation systems, illustrates representative units of company's line of machines for bank media handling.

773—"Flexoprint" panel method of reproduction of repetitive copy for directories, catalogs, price and part lists by simplified photolithography, is described in 19-page booklet of Remington Rand, and auxiliary record equipment is shown. Ask for KD-849.

BOOK REVIEWS

BANK CREDITS AND ACCEPTANCES—By Wilbert Ward and Henry Harfield. \$7.00. Fourth Edition. The Ronald Press Company, 15 East 26th St., New York 10, N. Y.

• Modern financing methods and tools as they relate to domestic and international trade transactions, including practices and regulations, and American law, with emphasis on the basic features and use of sight and acceptance credits, carrying interpretation and application of all phases of commercial credit transactions.

OTHER BOOKS REVIEWED AND RECOMMENDED

MODERN SALESMANSHIP: PRINCIPLES AND PROBLEMS—By Edwin C. Greif. \$9.00. Prentice-Hall, Inc., 70 Fifth Ave., New York 11, N.Y. Analyzes traits for successful selling, and facts and figures of selling opportunities with objectives essential in salesman relation to customer, market and company he represents, for developing ability to think creatively and express such thoughts. Proven techniques are given, from pre-approach to closing. Recommended to anyone who wants to be a success in selling.

ECONOMIC INDICATORS—Their Use in Business Forecasts—written by Dr. Henry M. Platt, formerly assistant director of research, to show why economists' forecasts often prove accurate. The author explains the limitations of indicators but emphasizes their value in helping the forecaster make effective use of his personal judgment and experience. 18 pages. Single copy free. Write Amos Tuck School of Business Administration, Dartmouth College, Hanover, N.H.

FEDERAL LENDING: Its Growth and Impact (Occasional Paper 58)—Summary by editorial staff of National Bureau of Economic Research, 261 Madison Ave., New York 16, N.Y., of research report, "Federal Lending and Loan Insurance," 1917-53, by Professors R. J. Saulnier, H. G. Halcrow and Neil H. Jacoby. The relative importance and effects of Federal lending and loan underwriting in major areas of the economy, to businesses, farmers and other individuals, and to state and local governments, are shown in charts. Price \$1.00.

Books reviewed or mentioned in this column are not available from CREDIT AND FINANCIAL MANAGEMENT unless so indicated. Please order from your bookstore or direct from the publisher.

PICTORIAL REVUE of NACM'S 63d CREDIT CONGRESS at Dallas



LEFT: The Gavel. Outgoing president James H. Donovan, assistant treasurer Jones & Laughlin Steel Corp., Pittsburgh, passes symbol of office to William L. Holmes, assistant treasurer, Schlumberger Well Surveying Corp., Houston, accompanied by Mrs. Holmes.



SILVER SERVICE is presented to Mrs. and Mr. Donovan by past president J. Allen Walker, general credit manager of Standard Oil Company of California, as Association's token of thanks for year of achievement.



TWO PAST PRESIDENTS escort Mr. Holmes to the podium. C. Callaway (left), Chickamauga, Ga., was elected at Atlantic City in 1949; Paul J. Viall (right) of Chattanooga, at the Chicago convention in 1955.



ABOVE: Miss Ruth Huctor, retiring as treasurer after 42 years of continuous service to the National Association of Credit Management, receives diamond brooch. Paul W. Miller of Atlanta, president 1943-44, makes the presentation.



RIGHT: American Beauties, leis and presidents. Mrs. and Mr. Holmes are greeted by Mrs. and Mr. Donovan.



EARL N. FELIO, three years president of Credit Research Foundation, receives silver bowl from Paul W. Miller (left). B. F. Edwards, Jr. (center) succeeds Mr. Felio in the presidency.



New England Association of Credit Executives, Inc., wins award of Insurance Advisory Council for advancement of appreciation of importance of insurance. (L to R) Albert Pauly of Samuel Cabot, Inc., Boston, assn. pres.; Ralph H. Mullane, Liberty Mutual Insurance Co., R. T. Custer, Graybar Electric; H. J. Lamb, secty-mgr.; G. T. Cowan, Johnson & Higgins, N. Y.



MEXICAN ASSOCIATION DELEGATION. Seated (l to r) assn. treas. Martiniano Vaca, of Cynos; v.p. Alfonso Flores, Mobiloil de Mexico; secty. mgr. P. A. Grajales; Mariano Calderon, Monsanto. Standing: Armando Alvarez Nieto, consular asst.; Refugio Ortiz, vice consul; Francisco Alcocer, Auto Transportes Figueroa; Raymundo Carrión; Emilio Basurto y Moreno, Minnesota Manufacturera de Mexico; Rodolfo Virues, Procter & Gamble de Mexico; Ruben Martinez, Bakelite de Mexico; pres. Claudio Beltran, Cia Fundidora de Fierro y Acero de Monterrey; Ph. Messianu, Shell de Mexico. The Asociacion Nacional de Ejecutivos de Credito, A.C., was founded August 20, 1958. Jose Goy (not in the picture) is honorary president.



JOSEPH D. SANSONI (right) of New Orleans, 1958-59 Grand Exalted Superzeb, receives wrist watch from Zebras, via Tom Sheriff, Pittsburgh.



PRESENTATIONS of awards of American Petroleum Credit Association to outstanding holders of Executive Awards (1958) of NACM's Graduate School of Credit and Financial Management. (L to R) W. H. Montgomery, The Pure Oil Co., Chicago, APCA president; W. S. Durrant, Bank of America NT&SA, San Francisco (Dartmouth); G. E. Spencer, U. S. Steel Products Div., U. S. Steel Corp., Los Angeles (Stanford); W. P. Layton, NACM's director of education. Mr. Layton introduced the APCA chief executive, who made the presentations of the annual awards.



AMONG CREDIT WOMEN leaders at forum. (L to R) Miss Marie Ferguson, Groups' National secretary-treasurer; Mrs. Loretta Johnston, Cincinnati, immediate past chairman, National Credit Women's Executive Committee; Miss Ruth Collins, Philadelphia, member; Mrs. Alta Sethaler, Denver, vice chairman; Miss Mildred McCall, Chicago, vice chairman; Miss Eleanor Cooper, Washington, Pa., vice chairman. Miss Ferguson is recovering from a leg fracture suffered in a fall Thursday noon; underwent survey at St. Paul's hospital, Dallas, transferred to the Hospital for Special Surgery, New York.



CERTIFICATES OF MERIT to outgoing Board members. (L to R) J. A. Monier, Jr., New Orleans; L. T. Hadley, Chicago; R. A. Pear, Rochester; R. L. Allen, San Francisco; S. F. Sayer, Philadelphia; V. S. Ames, Neenah, Wis.; Fred Flom, Detroit; J. F. Welsh, Baltimore; F. M. Hulbert, Cincinnati; P. H. Davenport, San Diego. Messrs. Monier, Welsh, Hulbert and Davenport were divisional vice presidents, the others directors. Mr. Sayer was elected vice president Eastern Division, at Dallas. Not in the picture: retiring directors Joseph C. Acuff, Kansas City; William R. Dunn, White Plains, N. Y., Gilbert W. Sites, Los Angeles. Mr. Sites was elected Western Division vice president for 1959-60.



S. J. HAIDER (extreme left), NACM staff vice president and convention director, with chairmen of committees of the 63d Annual Credit Congress at Dallas.



AT THE INTERNATIONAL trade luncheon and conference sponsored by NACM's Foreign Credit Interchange Bureau. (L to R) Lloyd Sinnickson, American Cyanamid Co., and C. R. Rohrberg, Guaranty Trust Co. of New York, luncheon speakers; E. B. Moran, NACM executive vice president; Claudio Beltran, president, Mexican credit executives association; J. B. Husted, The Philadelphia National Bank, FCIB administrative chairman; President J. H. Donovan, Jose Goy, honorary president, Mexican association; James Save, General Films, Ltd., Regina, Sask.; O. A. Jackson, Continental Illinois National Bank & Trust Co. of Chicago, moderator of the Round Table Conference which followed the luncheon. Rudolph Vogel, overseas director, Pillsbury Company, was chairman of the Round Table discussion of foreign credit, collection and exchange problems.



AT JOINT LUNCHEON of Industry Groups. (L to R) A. H. Tanner, Hart's Automotive Parts, Chattanooga, Automotive chairman; E. P. Simmons, Magnolia Petroleum Co., Dallas, Automotive program chairman; Judge Julian C. Hyer, Dallas; W. H. Montgomery, The Pure Oil Co., Chicago, Petroleum chairman; D. T. Brooks, Schlumberger Well Surveying Corp., Houston, and J. L. Myers, The Western Co., Midland, Texas, Oil Field Services and Supplies co-chairmen; H. B. Braden, American Gear & Parts Co., Dallas, Automotive panel moderator. Judge Hyer, who is judge of County Court at Law No. 2, Dallas, had as the provocative title of his address "A Little Honey." Mr. Montgomery is introducing the guest speaker.



At Wearing Apparel and Footwear Industry session. (L to R) T. Douglas Oxford, General Shoe Co., Nashville, afternoon workshop leader; F. C. Livermore, Kaufman Knitting Co., Minneapolis, chairman; W. W. Thomas, Campus Sweater & Sportswear, Cleveland, forenoon workshop leader.



PUBLIC UTILITIES Tuesday forenoon panel speakers. W. E. Travis (left), The Cleveland Illuminating Co., was moderator of the panel discussion. R. J. Jordan (right), Kentucky Utilities Co., Lexington, was a member of the panel. The chairman of the Industry Group, which met Monday and Tuesday, was J. R. Heery, the United Illuminating Co., New Haven. Other panelists in the discussion of industry problems were E. F. Beatlie, Southern California Gas Co., Los Angeles, and John Horton, New Orleans Public Service.



SPEAKERS at Textile Group meeting. (L to R) Sam Passman, of Passman & Jones, attorneys, Dallas; Irving H. Bloch, of Bloch & Livingston, CPA's, Dallas; George E. Gaba, J. P. Stevens & Co., New York, chairman. Other speakers were Glenn Facka, v.p. Republic National Bank of Dallas, and Harry Taten, CPA, New York.



AMONG SPEAKERS before Floor Coverings and Furniture Group. (L to R) W. J. Wissel, secty.-mgr., Houston Assn. of Credit Men; Mr. Stewart; Barry Holton, Southern Methodist University; Wayne Harris, Paul Blackwell Co., Dallas, chairman; Ted B. Hendrick, Collins-Dietz-Morris Co., Oklahoma City. Mr. Hendrick, past vice president, Southern Division, discussed credit and salesmanship at the forenoon session of the Group. "Attitudes" was the topic of Dr. Horton. Mr. Harris was moderator of the afternoon panel with speakers Larry Kriska, Kenneth Crosby and Preston Brashear, all credit managers in Dallas.



THE WINNERS!

THEY went to the "head of the class" in membership increases in their association classifications.

The picture at the left is of the presentation of Elgin wristwatches to the secretary-managers of those associations showing the largest number of consecutive months of net gains.

The eight pictures below are of the one-year award presentations, gold watches and plaques.

LEFT: Edwin B. Moran, executive vice president of the National, presents watches to (l to r) Ralph Johns, Indianapolis (205 consecutive months); Lawrence Holzman, San Diego; Lee J. Fortner, Los Angeles; G. E. Lawrence, Dallas.



CLASS AA. Indianapolis (L to R) Ralph E. Brown, v.p. Marsh & McLennan, St. Louis, membership chairman; Mr. Moran; Don Essig, Citizens Gas & Coke Utility, assn. pres.; Ralph Johns, secty.-mgr.



CLASS C. Nashville. (L to R) Mr. Brown, John E. Donovan, First American National Bank, association president, and James J. McCormick, secretary-manager.



CLASS B. Birmingham. In background: Fred J. Martin, Birmingham Sash & Door Co., association president; with secty.-mgr. G. H. Jones.



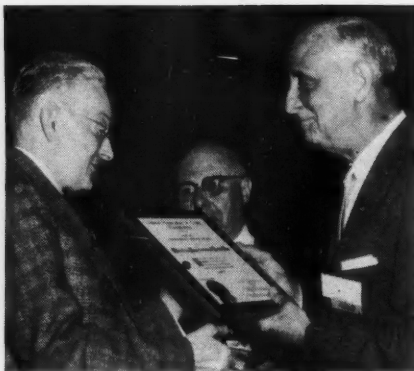
CLASS A. San Diego. (L to R) Lawrence Holzman, secty.-mgr., and George E. McNary, San Diego Trust & Savings Bank, president.



CLASS D. PHOENIX. Accepting the plaque for the Arizona affiliate of National is Frank Hill, the secretary-manager of the unit.



CLASS E. Fargo-Moorhead. Marion Loffer, First National Bank & Trust Company, Fargo, immediate past president. Mr. Moran in background.



CLASS G. Wheeling. (L to R) Miller Harder of Weirton Steel Co. Division, National Steel Corp., Weirton, W. Va.; Mr. Moran and Mr. Brown.



CLASS F. Erie. Eugene C. Drake, of Boyd & Schafer, Inc., chairman of the membership committee, receives the plaque for the Erie association.

FIVE-YEAR AWARD PRESENTATIONS

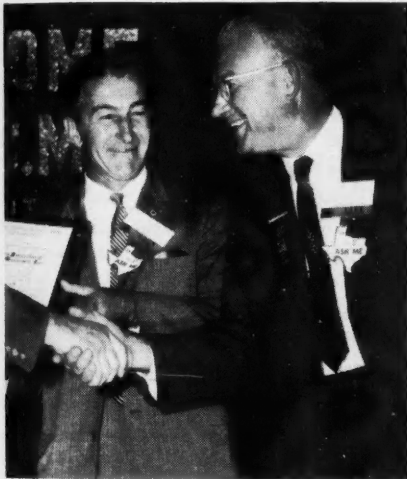
WINNER in Class C was Springfield, Mass.; in Class G, Jackson, Mich. Presentations in these classes were not made at plenary sessions.



ABOVE: CLASS AA. Los Angeles (L to R) M. F. Miller, Foremost Dairies, Inc., div. of Golden State Co., Ltd., receives the plaque, with M. W. Engleman of the association staff.



RIGHT: CLASS A. San Diego. (L to R) Philip Davenport, Southern Equipment & Supply Co., Western Division vice president; Lawrence Holzman, secty.-mgr., and Gordon E. McNary, San Diego Trust & Savings Bank, association president.



CLASS B. DALLAS. (L to R) R. H. Buchheit, Sherwin-Williams Co., president Dallas assn., with E. M. Hearne, Gaylord Container Corp., Div. of Crown-Zellerbach Corp., membership chairman.



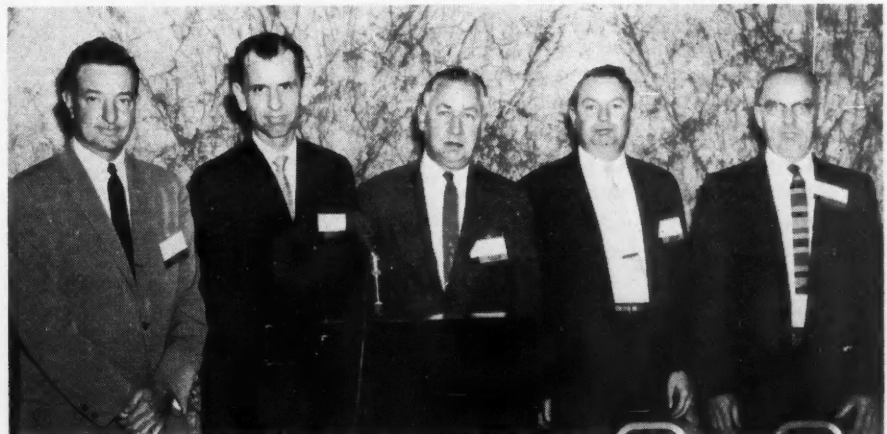
CLASS D. Phoenix. Frank Hill, secretary-manager of Wholesale Credit Association of Arizona, shows plaque he received on behalf of the unit, which also received the one-year award.



CLASS F. Central Missouri. (L to R) Harry Farrar, of DeLong's, Inc., Jefferson City, and Jack F. Schofield, secty. mgr., St. Louis association, and secretary for the district.



CLASS E. The Quad City unit was the winner. John Nelman, secretary-manager of the NACM Iowa Unit, with headquarters in Des Moines, officiates as district secretary.



PANELISTS at Industry meeting of Iron and Steel, Non-Ferrous Metals and Related Lines Group. (L to R) F. H. Jones, Kaiser Steel Corp., Oakland, Calif.; moderator J. C. Caldwell, Armco Steel Corp., Middletown, Ohio; R. E. Coulter, Aluminum Co. of America, Pittsburgh; G. R. Winter, A. M. Castle & Co., Chicago, and T. A. Johnson, Youngstown Sheet & Tube Co., Youngstown, Ohio. Among the guest speakers before this Industry Group were Eliot Janeway, editor and president of Janeway Publishing and Research Corp., New York, who discussed the economic outlook for 1959-60; C. W. Ferguson, regional director, Small Business Administration, who outlined its purposes and policies; and John R. Scott, senior vice president of Republic National Bank of Dallas, whose topic was "A Look at the Petroleum Industry."

Modernizing the Office

New Equipment to Speed Production and Reduce Costs

Portable Microfilmer



592 Embodying features heretofore found only in larger units, the new lightweight PORTABLE MICROFILMER of Recordak Corporation, subsidiary of Eastman Kodak Company, can be easily transported between work stations; weight is only 24 lbs. For use outside the office a lightweight travel case is available. Portable unit is fed by hand with a speed of over 40 letters or 96 check-size documents per minute. Removable film units, 100-ft. film capacity and simultaneous exposure of two rolls at once, if desired.

High-Speed Punch

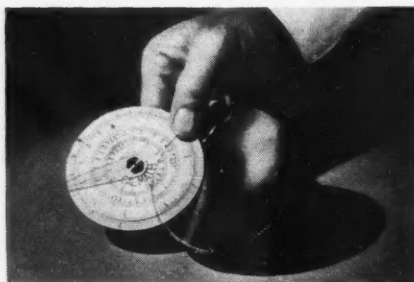
593 Modern-style desk-top GENERAL GBC Model 216 Electric Power Punch of General Binding Corporation is said to be highest performance punch available and has 25 per cent more paper capacity than other machines. High torque transmission and positive clutch provide rapid punching power equal to four tons pressure. Punching pattern can be set in seconds and stays set, maker notes. Positive stripper levers eliminate sticking of paper. Driven by $\frac{1}{4}$ hp. split phase electric motor.



This Department will welcome opportunities to serve you by contacting manufacturers or wholesalers for further information regarding products described herein. Please address MODERNIZING, Credit & Financial Management, 229 Fourth Ave., New York 3.

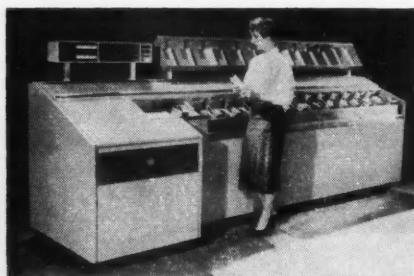
Pocket "Brain"

594 CAL-MATH Circular Pocket Calculator, new-type simplified slide rule, is only $3\frac{1}{2}$ " in diameter yet is precision-made for accuracy to thousandths, say engineer-makers, The Cal-Math Company. Device multiplies, divides, calculates discounts and per-



centages, solves square and cube root problems, fractions, decimals, other calculations. Easy reading is assured by the new metal imprinting process, extra large graduations, increased spacing between scales.

Electronic Banking



595 Important unit in BURROUGHS CORPORATION's Magnetic Ink Character Recognition (MICR) group of machines which may be applied to overall or gradual bank automation, the Magnetic Character Sorter sorts

checks at rates in excess of 1,500 items per min. or 400 inches per sec. through its reading of magnetic-ink ABA-approved common-language code. Device relieves bank systems of tedious, time-consuming task. The Sorter's 13 destinations permit wide distribution of special categories and reduce the number of sorting passes necessary. Paper or card checks of varying sizes and thicknesses, as well as mutilated ones, may be processed through sorter.

Tab Card File

596 Suspension File Equipment of TAB PRODUCTS COMPANY is designed to fill all punched card handling and storage needs, and brings to data processing centers new card handling flexibility, integration of records, increased efficiency. One file drawer fits 24 sizes and styles of file cabinets. New type cast aluminum drawer front increases drawer capacity. Standard fronts are optionally available. Full-sized punched card slips into drawer head for convenient indexing. Tab files are available in desk, counter or standard file heights, locking or nonlocking types.



Register-Indicator



597 Newest in its line of low-cost Cash Registers with Indication, the "8310" electric general purpose machine of R. C. ALLEN BUSINESS MACHINES, INC. is said to offer speedier indication than ever. The machine also can be operated as an independent, normal capacity adding machine at the turn of a key. The "8310" carries nine commodity and five department keys with enforced designation, plus visible dial with shutter lock, and lock controlled total and subtotal. All-steel cash drawer with adjustable Speedi-Change plastic till, compact size, choice of colors are other features.

Add-n-Mark Feature

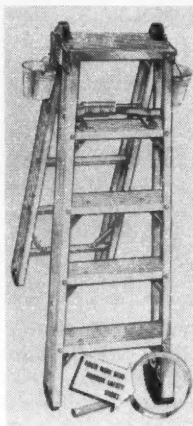
598 Introducing its "Imperial" line of adding-subtracting machines, VICTOR ADDING MACHINE COMPANY notes modest price, streamlined aluminum case, high speed performance, quiet operation. Machine comes in electric and hand-operated models, 10-key keyboard (shown) and full keyboard models. Imperial has a capacity of 10 million dollars less-one-cent, direct



automatic subtraction, repeat key for multiplication, automatic credit balance. Victor's unique "Add-N-Mark" feature, which prints gummed or pressure sensitive labels to be used for price-marking merchandise, is optional.

"5-in-1" Ladder

599 MASTER - ALL Multi - Purpose Aluminum Ladder of Lincoln Manufacturing Company does fivefold

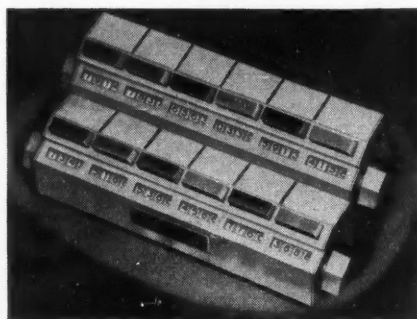


duty. As stepladder it may be used either front or back. As an extension ladder it extends foot by foot, locks at desired height. It may be used as a stairway ladder, as two separate ladders (the sections slide apart), and as scaffold base.

Conversion is easy; no tools or mechanical knowledge needed, says maker. Nonskid rubber shoes add safety. Unit is available in seven sizes.

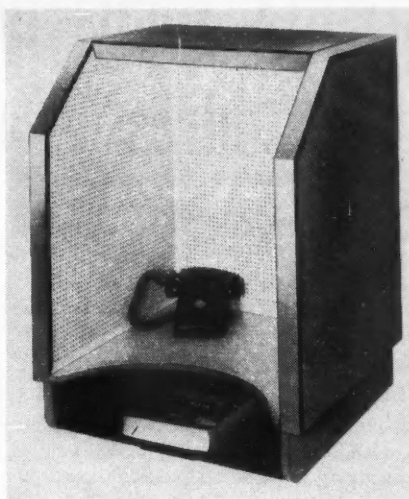
Unit-Analysis Device

600 Where item counts must be made in various categories but automation is not warranted, The De-



nominator Company's new all-metal MULTIPLE TALLY may be used to solve mechanically many different sort-and-count problems, saving time and clerical effort in analyses and summaries, such as sales unit data, food servings, reject counts, vehicular movements, other unit recordings. Each Denominator assembly is tailor-made with number of counting units to fit individual application. Light touch, short stroke to register count are advantages.

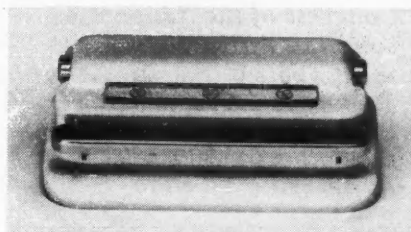
Isle of Quiet



601 Acoustically engineered "Hush-a-Booth" of THE KORFUND COMPANY, INC. blocks and absorbs extraneous noises, provides quiet interior for privacy and accuracy of communication, order-taking or other work requiring concentration. Of durable heavy plywood, perforated sheetmetal and Fiberglas construction, doorless booth will accommodate any type telephone or intercom system equipment, has body-contour writing shelf. Suitable for wall, column or desk mounting in factory, office or other public places, unit measures 27 $\frac{3}{4}$ " wide x 35" high x 24" deep. Ask for Bulletin K9A.

Open Letters Fast

602 "Standard" model TYBLO bar Letter Opener is an attractive addition to the desktop, fast and safe to use, notes manufacturer, New Canaan Engineering Company. Simply insert end of letter in slot, press type bar, for cleancut edge. Hinge-style trap door makes for easy disposal of scrap. The 4"x8" steel unit may be had in black, green, gray or brown, with decorative chrome or brass trim. "Secretette" model comes fitted with two ballpoint pens and holders in matching color.



Credit's Goals in a Rising Economy Dominate Addresses and Actions of Congress at Dallas

THIRD convention in a succession of differing stages of economic trend—all calling for the best in credit management and each offering its own brand of opportunity—the 63rd Credit Congress and its deliberations came amid an upturn in which the speed of recovery was confounding more than one analyst.

From Miami to Dallas

At Miami two years ago the recession was moving in. At Detroit last year a disappointed motor industry was in trouble in the center of a farming area where high prices for livestock were lifting the word recession bodily out of the lexicon. Now, at Dallas May 3-7 the general question concerned whether a boom is on the way. Nevertheless, each of the three variant business conditions threw its own kind of emphasis upon one central theme: the need of sound credit policies.

President-elect William L. Holmes, assistant treasurer, Schlumberger Well Surveying Corporation, Houston, pledged concentrated effort to carry out the commitments of the National association and to help the affiliates and individual members to maximal realization that through National all are playing on the same team. (Text of acceptance speech on page 37; profile sketch on page 12.)

Mr. Holmes noted that he is the first president from Texas.

A New Era, Says Hendrick

In seconding the nomination of Mr. Holmes, Ted B. Hendrick, president of Collins-Dietz-Morris Company, Oklahoma City, past vice president Southern Division, declared:

"An old era closes—and a new one begins. We face up to the fact of new problems and new goals to be set and reached. With (our) full support we shall surely see the ground swell of advancement reach to the stage of a mighty surge of full-tide accomplishment of, by, and for the field of credit and its practitioners in America."

James H. Donovan, in the report of his stewardship (see page 31 for text), re-

The 63rd Annual Credit Congress of the National Association of Credit Management voted on Monday, May 4, to increase the per capita dues by \$2.00 to a total of \$10.50 a year, effective July 1, 1959.



PRESIDENT-ELECT William L. Holmes of Houston with the four new divisional vice presidents. (L to R) Lysle H. Koogle (Southern), El Paso; Ralph E. Brown (Central), St. Louis; Mr. Holmes; Gilbert W. Sites (Western), Los Angeles; and Stephen F. Sayer (Eastern), Philadelphia.

emphasized his twin credo of Credit-Sales liaison and a working, personal relationship between credit executive and customer.

"There must be co-ordination and integration of credit policy, practices and procedure with sales policies and programs", said the assistant treasurer of Jones & Laughlin Steel Corporation, Pittsburgh. And:

"The credit executive should put forth every sincere and purposeful effort, through direct relationship, to assist and counsel, and, in every reasonable and proper way possible, aid customers in the solution of problems of mutual interest and benefit."

The Four Vice Presidents

At the helm of National the coming year President Holmes will have as his closest associates the four following vice presidents:

RALPH E. BROWN (Central division), vice president Marsh & McLennan, Inc., St. Louis; **STEPHEN F. SAYER** (Eastern division), vice president, The First Pennsylvania Banking & Trust Co., Philadelphia; **LYSLE H. KOOGLE** (Southern division), president Triangle Electric Supply Co., El Paso; and **GILBERT W. SITES** (Western division), credit manager The Times-Mirror Co., Los Angeles.

Ten Directors Elected

Elected to National's board were ten directors, two for one-year terms.

Named for three-year terms were: **WILLIAM M. EDENS**, Continental Illinois National Bank & Trust Co., Chicago; **RICHARD B. EYDE**, J. A. Folger & Co., San Francisco; **IVAN L. HILLMAN**, Dravo Corp., Pittsburgh; **NORBERT S. HOUSE**, The Howard Zink Corp., Fremont, Ohio; **ELMER M. KROENING**, Allen-Bradley Co., Milwaukee; **CHARLES W.**

PRITCHARD, General Dynamics Corp.-Stromberg-Carlson Div., Rochester, N.Y.; **MISS BLANCHE M. SCANLON**, Nash Finch Co., Minneapolis; **SIDNEY A. STEIN**, Stein Factors Corp., New York.

Elected directors for one-year terms were **MRS. ELLEN ANDERSON** of Shields, Harper & Co., Oakland, and **L. H. STACY**, Grinnell Company of the Pacific, Los Angeles.

Edwards Heads Foundation

BEN F. EDWARDS, JR., vice president, Bank of America NT&SA, San Francisco, was named president of Credit Research Foundation, Inc. (Picture on page 33.)

Earl N. Felio, treasurer of Colgate-Palmolive Co., New York, and a director of National, was honored on completion of three terms as head of the Foundation when **Paul W. Miller**, president of Marlborough Corp., Atlanta, and a past president of National, presented him with a silver bowl. (See Pictorial Section.)

Miss Hocter Honored

Miss Ruth Hocter, retiring as National's treasurer after 42 years of uninterrupted service to the association, was the recipient of a diamond brooch, presented by Mr. Miller at Thursday's plenary session. (Picture in Pictorial Section.)

John G. dePass, Johnstown, Pa., was elected Grand Exalted Superzeb of the Royal Order of Zebras. **Joseph D. Sansoni**, Avondale Marine Ways, New Orleans, outgoing Superzeb, was presented with a gold wristwatch at the Zebras' business meeting, with **Thomas D. Sheriff** of Hamburg Brothers, Inc., Pittsburgh, officiating. The Zebras' Annual Award was won by **M. C. Ricketts**, credit manager of Frigidaire Sales Corp., Dayton, Ohio.

The first place membership award by the

New NACM Officers and Directors

President—William L. Holmes, Schlumberger Well Surveying Corp., Houston, Texas

Vice President (Central Division)—Ralph E. Brown, Marsh & McLennan, Inc., St. Louis, Mo.

Vice President (Eastern Division)—Stephen F. Sayer, The First Pennsylvania Banking & Trust Co., Philadelphia, Pa.

Vice President (Southern Division)—Lysle H. Koogle, Triangle Electric Supply Co., Inc., El Paso, Texas

Vice President (Western Division)—Gilbert W. Sites, The Times-Mirror Company, Los Angeles, Calif.

Directors—Three Years

William M. Edens, Continental Illinois National Bank & Trust Company of Chicago, Chicago, Ill.

Richard B. Eyde, J. A. Folger & Company, San Francisco, Calif.

Ivan L. Hillman, Dravo Corporation, Pittsburgh, Pa.

Norbert S. House, The Howard Zink Corporation, Fremont, Ohio

Elmer M. Kroening, Allen-Bradley Co., Milwaukee, Wis.

Charles W. Pritchard, General Dynamics Corp.-Stromberg-Carlson Div., Rochester, N.Y.

Miss Blanche M. Scanlon, Nash Finch Company, Minneapolis, Minn.

Sidney A. Stein, Stein Factors Corporation, New York, N.Y.

Directors—One Year

Mrs. Ellen Anderson, Shields, Harper & Co., Oakland, Calif.

L. H. Stacy, Grinnell Co. of the Pacific, Los Angeles, Calif.

National Credit Women's Executive Committee went to the Dallas Group and was received by Mrs. Bette J. Phillips, Gaylord Container Corp., president. The second place plaque was earned by the Birmingham Group and was received by Mrs. Betty Abney, of Jones Valley Sausage Co., Birmingham. (Pictures on page 34.)

F. J. Lanning, of Brooklyn, general manager of the Motor & Equipment Manufacturing Association, announced the awarding of three scholarships to NACM's Graduate Schools.

The American Petroleum Credit Association's Meritorious Achievement Awards were received by George E. Spencer, district credit manager, U. S. Steel Products Div., U. S. Steel Corp., Los Angeles, and William S. Durrant, assistant cashier, Bank of America NT&SA, San Francisco. The APCA president, William H. Montgomery, general credit manager, the Pure Oil Co., Chicago, made the presentations after introduction by William P. Layton, NACM's director of education.

First Plenary Session

The first plenary session opened Monday morning with welcomes by secretary of state Zollie Steakley and mayor pro tem Elgin B. Robertson. Following the President's Report by Mr. Donovan, Dr. Arthur A. Smith, vice president and economist, The First National Bank in Dallas, dissected economic development in credit perspective and concluded that no conclusion could logically be drawn ("There

ain't hardly any place you can't get someplace from").

However, he declared, seekers of indications of trouble in the economics of credit should carefully examine the *quality* of credit rather than the total quantity of credit or of any large components of credit.

"There is no definite proof," said Dr. Smith, "to indicate that the total debt has reached a dangerous or unsupportable level.

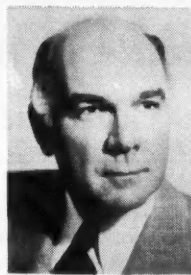
"There appears to be a relatively high rate of savings to support the credit volume without using to excess what we call bank-credit-creating powers."

(Vice President Smith's address will be reported in some detail in a future issue.)

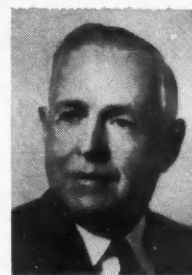
The Miracle of Credit

Mixing homespun philosophy and wit in an exhilarating prescription for good listening, Louis E. Throgmorton, vice president, Republic National Life Insurance Company, Dallas, suggested that "the miracle of instalment and open credit has been the economic shot heard 'round the world."

We Americans, he said, "are up to our attics in food, furniture and labor-saving devices that truly benefit mankind. High living through instalment buying (on a low income) has produced a miracle that to others is a miracle," and our high standard of living has helped others as



DR. MCFARLAND



L. E. THROGMORTON

well. In fact, "the United States has done more than any other country in the world to help others to secure prosperity and welfare. Our contribution to their welfare has agitated their desire for freedom.

"We have moved into a condition where I—as a middleclass citizen—may and can have any normal item of luxury such as a TV, a Cadillac, a swimming pool."

Mr. Throgmorton called "faith, hope and charge-it our watchword—faith in the man, hope for a better living, and your willingness to go the second mile."

Small Business Investment Act

Matching the intensity of interest being evinced in the profit and community-building opportunities under the Small Business Investment Act is the broad range of that interest, Albert C. Kelly, SBA deputy administrator for financial assistance, Washington, said. (Mr. Kelly since has returned to private business as president of Admiral State Bank, Tulsa.—Ed.)

Besides issuance of licenses made to two investment companies (11 by June 1 —Ed.) the green light had been flashed to 24 applicants to proceed with incorporation.

"We have seen an extremely broad variety of motivations displayed", Mr. Kelly declared.

"At one extreme, we have the group of sophisticated investors with dollars in a high tax position. They intend formation for the exclusive purpose of taking equity type positions through the purchase of convertible debentures of growth type companies. They are solely interested in dynamic situations.

"If the company merely struggles along, keeping its head above water without the anticipated growth, the investment company in this category will receive back its principal at a normal rate of interest. If, however, the company enjoys the spectacular growth anticipated with a double and perhaps treble of book value of the stock, the small business investment will of course convert into the stock of the concern.

"This type company, formed with dollars from a high tax situation, is primarily motivated by the tax incentives and advantages provided in companion legislation to the Investment Act."

The Minimum Sized Company

At the other extreme, the deputy administrator pointed out, "is a group composed of 10 or 12 or 15 local affluent businessmen at a crossroads county seat town. They have in mind the minimum size company. They do not intend to

(Continued on p. 30, col. 2)

Board's Tribute to Henry H. Heimann

Read to Convention by Chairman Viall

The following resolution in memory of Henry H. Heimann was passed by the Board of Directors of the National Association of Credit Management and was read to the Credit Congress at Dallas by past president Paul J. Viall, who headed the board committee which had drafted the document.

The resolution, reproduced on parchment in English script with continuous lettering and with the words Henry H. Heimann in gold, and enclosed in tooled leather case, was presented in absentia to Mrs. Florentine Heimann, Mrs. Olivia Hamburger, daughter, and Miss Martha Heimann, sister.

The resolution reads as follows:

National Association of Credit Management
In Memoriam
HENRY H. HEIMANN
Resolution

WHEREAS, God in His infinite wisdom on September 12, 1958, called Henry H. Heimann to his eternal rest; and

WHEREAS, for more than a quarter of a century Henry H. Heimann, author, lecturer, patriot, and business statesman, was the chief architect and master builder of our National Association of Credit Management; and

WHEREAS, prior to becoming our chief executive he was an eminently successful business executive with such active interest in credit and financial management that he was our National President at the time he accepted the office of Executive Manager; and

WHEREAS, this cultured gentleman brought to his task not only the experiences of his mature business career, his keen intellect, and his formal training in law and accounting, but a deep inbreeding of those fine spiritual qualities of Faith, Hope and Charity; and

WHEREAS, the vision of this great man inspired the interest of men and women throughout the nation in a program of growth through education, research, and fuller cooperation in credit and financial management; and

WHEREAS, in the midst of his devotion to our affairs, recognition of his ability, capacity, and integrity caused him to be called upon for many public services, including chairmanship of the United States Shipping Board, a member of the original committee formed by General Hugh Johnson for the National Recovery Administration, charter member of the Business Advisory and Planning Council of the Department of Commerce, and Second World War service in the Navy, with rank of Captain, responsible for New York harbor security, all of which brought prominence and distinction to our organization; and

WHEREAS, his guiding genius, his inspiration and his loyalty to associates and friends in our local associations throughout the country led us through the trying years of depression to a strength reflected by membership growth substantially more than double that of the year 1935; and

WHEREAS, while we know he would not have us mourn his passing, we the members of the Board of Directors of the National Association of Credit Management hold dear the privilege of having known and of having served with this magnificent leader, whose memory we cherish and whose influence will extend through many years to come;

NOW, THEREFORE, BE IT RESOLVED, that we the members of the Board of Directors of the National Association of Credit Management express our keen sense of loss of an indomitable business leader and associate and of a true and gracious friend; and

BE IT FURTHER RESOLVED, that these resolutions be spread upon our minutes as a perpetual memorial to Henry H. Heimann, and that copies be sent to the members of his immediate family as a token of our sincere sympathy to them in their bereavement.

(Signed) JAMES H. DONOVAN

President

CONVENTION

(Continued from page 29)

make any appreciable amount of money out of the operations of the investment company *per se*. Rather they intend to use their funds not for the purpose of taking equity positions in growth companies, but to provide long-term working capital through term loans at low rates of interest to companies with stable payrolls—even using this device as a lure to attract additional payrolls to the community.

"This type of organizer intends to receive a real remuneration for this effort, not from the small business investment company but from the additional payroll dollars that circulate up and down Main Street and turn over six to eight times before leaving town."

The existing financial institution, including very many commercial banks, is the largest category of the shadings of proposed types of operation and motivation falling between those two extremes, Mr. Kelly said.

The commercial banks will use the small business investment company as a vehicle to provide broader service to their present customers, he explained. (Banks have an active interest in the two companies licensed before convention time,

one in Minneapolis, the other in Atlanta.—Ed.)

A wide range of freedom is promised the investment companies and there is no intention to interfere with their operations so long as they abide by the regulations, the deputy administrator emphasized.

The executives will need an extensive knowledge of finance and management of financial institutions, plus knowledge of business and administrative management, he emphasized. Accessibility to a relatively large number of investment opportunities will also be essential to success. The investment company must also have access to relatively large amounts of capital; the \$300,000 minimum amount of capital funds required by the Act will not be adequate in most cases, Mr. Kelly added.

Insurance Panel Discussion

A panel discussion of "Insurance As Additional Credit Security", a highlight of the session, will be reported in detail in a later issue of CFM. The moderator was Orville B. Tearney, manager of credits and corporate insurance, Inland Steel Company, Chicago, and chairman of NACM's Insurance Advisory Council.

The panelists were J. J. Dorgan, treasurer, Continental Oil Company, Houston; Bertel E. Jonson, assistant to treasurer, Hunt Foods, Inc., Fullerton, Calif.; and Wallace E. Jeffrey, vice president, Marsh & McLennan, Inc., New York.

33 Industry Groups Meet

Industry Day, traditionally set for Tuesday of convention week, with plenary sessions waived, brought 300 speakers in formal addresses and panel discussions before the 33 Industry Groups' meetings.

Broad trends in the economy, business prospects within general as well as specialized fields, and specific developments in phases of credit applications to various industries were discussed in addresses and in the question-and-answer periods.

Among guest speakers were bank and business presidents, educators, legal specialists, former FBI agents, referees in bankruptcy, sales executives, management, training and personnel consultants.

Among the Speakers

Formal addresses were by such authorities as L. A. Jennings, U. S. deputy controller of the currency, Washington; Leo W. Allman, U. S. Department of Labor; Charles E. Walker, vice president, and Philip E. Coldwell, director of research, Federal Reserve Bank, Dallas; Southern Methodist University's Trent Root, vice president and controller, Dr. Sterling Wheeler, public relations director, and Dr. A. Q. Sartain, professor of psychology; Judge Julian C. Hyer; Judge Elmore Whitehurst, referee in bankruptcy;

C. J. Wagner, past president, Commercial Law League of America; Frederic J. Lanning, general manager, Motor and Equipment Manufacturers Association; Milton F. Brown, president, Dallas Clearing House Association; Dr. Richard B. Johnson, coordinator, Southern Graduate School of Banking.

Sampling of the wide range of panel

(Continued on page 37)

The Job Ahead: President Donovan

By JAMES H. DONOVAN

Assistant Treasurer

*Jones & Laughlin Steel Corporation
Pittsburgh, Pennsylvania*

ONE of the great fundamentals in our personal life, our communal life, our business life and our national life is the sound belief in the dignity of the human being and his endowment with worth and inalienable rights.

This concept of divine and natural endowment has its corollary of responsibility in the individual exercise of these rights and in the soundness, purpose and direction of the use and employment of individual worth.

This corollary of responsibility, as it relates and applies to the National Association of Credit Management, implies, expresses and demands of all of us the considered and thoughtful application of our best talents, our training, and our undiminished efforts for the vigorous continuance and expansion of our effectiveness nationally in commerce, industry and finance.

We are confronted with, and must solidly and understandingly meet, the consequences of the cumulative effects of many years. The how, the when, the where and the why of these consequences are not of particular importance. What is important is the existence of a set of potentially serious conditions.

They have been outlined and explained in as full detail as possible to the officers and directors of your local associations, and to your secretary-managers, both in written reports and through visits by your national officers and directors.

Two Basic Questions

As in the study and evaluation of any similar business problem, there are two basic questions. First, is the venture to be continued? If the answer to the first question is affirmative, and the first question is simply rhetorical, then is the continuance to be based on a soundly conceived and planned program? Does this program provide for capable management, modern plant and equipment, improved products, enlarged distribution and increased use of those products with resulting satisfactory returns? Is it predicated upon adequate financing to accomplish both current and continuing requirements and purposes?

Through your duly elected or appointed voting delegates, you will, this afternoon, make a decision on the financial programs prepared by the Finance and Planning Committee and the Secretarial Council and submitted to the Executive Committee last November. They recommended adoption by the National Board, who unanimously approved. This original plan and a subsequently suggested minimum alternative program were presented to all local associations. In its effects and consequences your decision can and will channel our force and effectiveness as a national organization from this point on into one or the other of two directions.



"Credit Is People"

You can by your decision establish favorable conditions that will permit us to meet our need for able and discerning administrative direction and to improve and intensify our plans, services and activities. This must be accomplished if we are to continue to be effective in the current and mounting trends toward increased and increasing competition and costs of operation. They will not lessen.

Finance and Planning Committee

The Finance and Planning Committee, appointed last August in consultation with Henry Heimann, was established for the purposes indicated by the name. With Jim Welsh, vice president of the Eastern Division, as chairman, it was composed of the Executive Committee together with Bob Allen, director from San Francisco, and past president Shad Callaway, chairman of the Budget and Finance Committee.

The collaboration of Shad and the members of his committee, who have under his guidance and direction given us outstanding budgetary control for many years, was most helpful and assisted materially.

The sudden and untimely passing of Henry Heimann last September took from us an acknowledged and respected leader and administrator who had served the aims and ideals of this association with dedication and devoted direction during his more than 25 years as our executive vice president.

Henry Heimann Resolution

By action of your National Board of Directors a committee composed of past president Paul Viall as chairman, with past presidents Vic Eggerding and Irwin Stumborg, has prepared a resolution which has just recently been illuminated and will be presented to Henry's widow, his daughter and his sister. (Text on opposite page)

Executive Vice President Moran

At the meeting of the Executive Com-

mittee in late September, arranged before Henry's death to correlate with the Finance and Planning Committee and the Budget Committee, Ed Moran was appointed executive vice president and his appointment unanimously confirmed by the National Board last November.

No better expression suggests itself to indicate the deep and sincere feeling of regard for and appreciation of the untiring application to service and tremendous capacity for work of this old friend and associate of thousands in our association than to say reverently, "Thank God for Ed Moran".

In addition to being executive vice president, Ed is still doubling in the duties and responsibilities he had as staff vice president and is the author of the excellently planned and prepared "Monthly Business Letter". This has been published each month beginning last November, with the distribution and acceptance of the predecessor publication.

National Staff

And with no less degree of understanding and commendation the officers and directors offer acknowledgment and appreciation of the unselfish, ceaseless and devoted efforts and accomplishments of the similarly dedicated people who comprise our national staff and national organization.

Our well loved and respected treasurer, Ruth Hocht, officially retired effective March 1 but will remain with us through May to complete the audit and assist our controller, William J. McDonald, who came with us the first of February. Thank you, Ruth, for your devoted years of service. You have our affection and good wishes.

The Committee on Succession, appointed last September, with its chairman past president Don Messer, carried out its preliminary planning by mail, developed a program and met in New York on March 7 with all members attending.

Acting upon the decision of the committee to offer the post of executive vice president to the qualified candidate in the committee's opinion within our association, such offer by letter was sent by the chairman to staff vice president Haider. For personal reasons, clearly and feelingly expressed in a response which indicated careful thought and appreciative understanding of his selection, Bud was unable to accept the proposal.

By unanimous affirmative action of your Board of Directors at our final meeting on Sunday afternoon the appointment of Ed Moran as executive vice president is continued until May 31, 1960, or until his successor is appointed.

Recognition of Committees

Rather than attempt to summarize or present a synopsis of the work and accomplishments of our national committees, other than the special ones to which reference has been made, recognition of service is offered, with thanks and appreciation,

to all national committee chairmen, vice chairmen and committee members.

Accordingly then, congratulations and thanks to Loretta Johnston and the Credit Women's Executive Committee, John Fitzpatrick and the Adjustment Bureau executive committee, Elmo Trimble and the Collection Bureau executive committee, Glenn Ballard and the committee on improved construction practices, Don Messer and the credentials committee, Tom Morris and the Credit & Financial Management advisory committee, Ed Buckley and the Credit Interchange board of governors, Vern Ames and the committee on education, Bart Husted and the Foreign Credit Interchange Bureau committee, Bill Dunn and the Fraud Prevention committee, Sidney Stein and the Textile Fraud Prevention committee, Orville Tearney and the Insurance Advisory Council, Jap Osborne and the legislative committee, Ralph Brown and the membership executive committee, Irv Stumborg and the membership review committee, Allen Walker and the nominations committee, Lee Hadley and the publications and sales committee, Gil Bush and the public relations committee, Dick Durrett and the resolutions committee, and Frank Byrne and the committee on cooperation with Robert Morris Associates.

Committee Meetings

Except for unusual or emergency situations, these committees, as others in the past, have functioned under the handicap of being restricted to their communication and interchange of ideas and suggestions by correspondence. Perhaps somewhat smaller committees with provision for a national financial program to meet expenses of at least one meeting, after preliminary plans are outlined, might be considered.

If this is practical it would enable our association to benefit from the individual abilities and experience of our many members who have outstanding qualifications and who desire to assist and plan and develop in the fields in which they can best serve.

Reports of Committees

The reports of all of our national committees have been reproduced at our National office. They were distributed yesterday to national officers and directors at our final meeting. Additional copies are available for incoming officers and directors, and chairmen of national committees for the coming year, if they desire them.

Under the continuing guidance and direction of its president, Earl Felio, the Credit Research Foundation has progressed through another year of accomplishment. There are only a few openings remaining at the Graduate Schools at both Dartmouth and Stanford. There is continued interest in and successful planning for Credit Workshops.

The "Credit Management Handbook" was published in August and its distribution and sale have exceeded the target quota for the period since date of publication. Congratulations and thanks to the officers, trustees and committee members

The New Secretarial Council Is Named



LEFT TO RIGHT: Harry F. Boswell, Richmond; Meredith J. Davies, Tacoma; Ralph Johns, chairman, Indianapolis; Fred L. Lozes, New Orleans; John H. Neiman, Des Moines. The four named are Council vice chairmen.

and to Bill Layton, the managing director, and his staff.

At the meeting of the Finance and Planning Committee and also at the meeting of the National Board last November the Secretarial Council members took active parts. Their suggestions and observations and their formal report received considered attention and were included in the report of the Finance and Planning Committee to our membership. We offer appreciation and commendation to Ralph Creviston, chairman, and to Newt Bartle, Jack Schofield, Jim Vance and Frank Hill, vice chairmen, as well as to all of our secretary-managers who have been helpful in so many ways.

Membership

During the year we gained a representative number of new members. Business mergers, changes in business methods and other similar situations which are not subject to reconsideration in association relations nominally reduced our membership to 35,405 at April 20.

There must be planned, continuous and aggressive striving for increased membership, not simply to count numbers but to enlarge and increase the force and effect of the basic concepts of this association. The accomplishment of sustained support of and adherence to ideals, high ethical standards and sound objectives and principles is dependent upon satisfied, active and participating owner-members; members who know what services they want and see that they are efficiently provided; who understandingly evaluate the very practical and essential aspects of our programs in education, fraud prevention, improved construction practices, insurance, legislation, public relations and other non-service areas; who realize there is no substitute for the unity of purpose and the assurance of confidence that develop through fellowship and personal associations.

Our respective companies rightfully expect that, because we are members of the National Association of Credit Management, we are or should be better equipped

to plan and skillfully develop sound methods of credit administration so that in the two essential credit department relationships, with our sales associates and with our customers, we are of maximum aid to management.

Credit and Sales Liaison

To effectively and successfully market the company's goods or services, to create and maintain sound accounts receivable turning over within terms of sale in satisfactory proportion, and to properly discharge their respective and co-ordinated responsibilities to management, there must be close personal and harmonious relationships between credit and sales personnel on an individual as well as on an integrated departmental basis. There must be co-ordination and integration of credit policy, practices and procedure with sales policies and programs. Effective results are to be gained only through mutual respect and confidence.

By his balance and stability, his considered opinions and his judgments based on technical competence and honest and unbiased evaluations of credit and sales factors, the credit executive will gain the respect and confidence of his associates in sales. They will know that, consistent with his responsibility to maintain sound credit and business practices, he is making every reasonable and proper effort to assist in making sales.

Relationship with Customers

The credit executive who most fully meets and fulfills his authority and responsibility is the one who is keenly aware at all times of the desirability of and necessity for direct relationships with customers. His ability to translate this awareness into personal visits will necessarily be dependent upon a number of variable factors, such as the size of the credit department, the development of the abilities of credit department personnel, the type of business, the method of distribution or selling, and the geographical scope of his company's activity.

Efficient, progressive and constructive

credit management, therefore, should be directed toward the philosophy of understanding and genuinely desiring to get along with people, rather than attempting to evaluate and reach conclusions based only upon reports and financial data. The credit executive should put forth every sincere and purposeful effort, through direct relationship, to assist and counsel, and, in every reasonable and proper way possible, aid customers in the solutions of problems of mutual interest and benefit.

In our day to day appraisals and evaluations of credit situations, we are accustomed to using check lists of basic factors. Perhaps such a procedure might be appropriate as applied to our National Association of Credit Management, for with the passing of Henry Heimann we are moving from an era of sustained guidance and direction into a new phase of our business life and organizational maturity. We are at a point of review, re-assessment and re-evaluation.

Since credit is people, and business is people, in the sense that financial reports reflect the results of the efforts and ability of management, our first consideration should be that of top man and management. Next we appraise our products, then our physical plant, our equipment, our relative position from a service standpoint, and our use and application of membership funds. This is not as comprehensive a list as generally applies in the usual business situation but it is adequate for us as an association.

Results of Appraisal

The results of our appraisal seem to indicate careful attention to reorganization and development of continuity in administrative management; review and revision or re-statement where necessary of by-laws, duties and responsibilities of officers and directors, committee assignments and rules and regulations governing service facilities; every possible improvement in all products and methods; modernization of plant and equipment, and as a base for continued and more effective successful operation, an adequate and consistent financial program.

Our national organization is no more effective than is made possible by the stability, soundness and foresight of the local associations that give it being—and our local associations would be only that, functioning simply as such, were it not for the basic realization, expressed or implied, of the necessity for co-ordinated, directed and understanding effort among all of us. This has earned for us our place of respect and positive force for good in American business.

To all of you who have aided so generously in this year of unusual, difficult and serious problems and decisions, and especially to Jim Welsh, Mac Hulbert, Ben Monier, Phil Davenport and Ralph Mullane, who are the Executive Committee, without whom my path would have been much more trying, I offer my affection, my gratitude and my sincere good wishes.

I am proud that I have been your president.

Credit Research Foundation Elects Edwards and Four Vice Presidents

B. F. Edwards, Jr., vice president, loans, Bank of America, NT&SA, San Francisco, was elected president of the Credit Research Foundation, educational and research arm of the National Association of Credit Management, at the eleventh annual meeting of the Foundation's board of trustees, at the Credit Congress.

A former president of the Credit Managers Association of Northern and Central California, Mr. Edwards had served for the last two years as the Foundation's vice president in charge of research and for the past six years as a member of its board.

He succeeds Earl N. Felio, treasurer of Colgate-Palmolive Co., New York, who had served as president of the Foundation for three years. In recognition of Mr. Felio's outstanding service to the organization he was presented a silver bowl by Paul W. Miller, the Foundation's first president and past president of NACM. (See Pictorial Section.)

The following vice presidents were elected: vice president-professional development and education, Vern S. Ames, general credit manager, Kimberly-Clark Corp., Neenah, Wis.; vice president-research, L. B. Wilson, general credit manager, Union Carbide Corp., New York City, vice-president-promotion, Irwin Stum-

borg, assistant treasurer, The Baldwin Piano Co., Cincinnati; and vice president-finance, C. Callaway, treasurer, Crystal Springs Bleachery, Chickamauga, Ga. (Mr. Ames was reelected.)

Newly elected trustees are: Robert L. Allen, general credit manager, D. Ghirardelli Co., San Francisco; Howard S. Almy, secretary, Collyer Insulated Wire Co., Pawtucket, R.I.; Tull N. Gearreald, treasurer, F. S. Royster Guana Co., Norfolk; Mr. Callaway and Mr. Wilson.

The committees on education, research and promotion had sessions preceding the Credit Congress. A general meeting of Foundation members also was held at the convention.

Great Growth Ahead If Boom Psychology Checked: Hoadley

Although recovery from the 1957-58 recession is "solid" and should be "sustained for at least another 12 to 18 months," business in the coming year faces "its greatest threat" in the "growing boom psychology," declared Walter E. Hoadley, Jr., treasurer, Armstrong Cork Company, Lancaster, Pa. He described this as a "change in confidence" favoring speculation and a relaxed attitude toward business.



Credit Research Foundation president B. F. Edwards, Jr. (seated, center), with E. N. Felio (right), immediate past president and NACM director; and V. S. Ames, reelected vice president-professional development and education. Standing (l to r) vice presidents L. B. Wilson, research; C. Callaway, finance; and Irwin Stumborg, promotion.

Credit Women Receive Membership and Scholarship Awards at Dallas Congress



THE Dallas Credit Women's Group won the first place membership award by NACM, presented at a plenary session and received by Mrs. Bette Jane Phillips, Group president. Second place went to Birmingham and was received by Mrs. Betty Abney (above left) from Miss Eleanor Cooper, vice president-membership, for the National Credit Women's Executive Committee, at the business session. RIGHT: E. B. Moran, NACM executive vice president, participates in the NACM scholarship award, presented by Miss Cooper. Miss F. Marie Ferguson, NCWEC secretary-treasurer, in foreground.

METHODS to accelerate credit women's rapidly growing recognition in the business world and procedures to help their companies increase sound sales volume were highlighted at meetings of women in credit and finance at the Credit Congress. More than 2700 are enrolled in the 58 Credit Women's Groups of the association.

The first place membership award, by the National Association of Credit Management was won by the Dallas Group and was received by Mrs. B. J. Phillips, Group president. Second award went to the Birmingham Group and was accepted by Mrs. Betty Abney.

Miss Ruth Collins of the Philadelphia National Bank was moderator at the Credit Women's Forum on Wednesday afternoon of the convention week. At this workshop meeting plans for the next 12 months were shaped.

Mrs. Frances Emery, internationally known lecturer, was the speaker at the annual banquet, on Tuesday.

Mrs. Loretta Johnston of the F. D. Lawrence Electric Co., Cincinnati, chairman of the National Credit Women's Executive Committee, presided at the luncheon preceding Monday's annual business meeting. Mrs. Johnston, the three vice chairmen and the secretary-treasurer summarized the past year's activities. The vice chairmen were Miss Mildred McCall, Walter H. Johnson

Candy Co., Chicago; Miss Eleanor Cooper, Jessop Steel Co., Washington, Pa., and Mrs. Alta Sethaler, Central Electric Supply Co., Denver.

Miss F. Marie Ferguson, New York secretary-treasurer of the Credit Women's Group, was injured in a fall Thursday noon. Her left leg was broken. After the fracture was reduced at St. Paul's Hospital in Dallas, Miss Ferguson was brought to the Hospital for Special Surgery in New York, where the staff reported that progress was satisfactory.

National's New Official Family

SHOWN on the opposite page are members of the new executive family of the National Association of Credit Management, officers and directors for 1959-1960. The president and four divisional vice presidents are also directors, and past presidents James H. Donovan, J. Allen Walker and Irwin Stumborg are advisory directors. Asterisk preceding name designates newly elected.

*WILLIAM L. HOLMES, NACM President, Assistant Treasurer and General Credit Manager, Schlumberger Well Surveying Corp., Houston, Texas.

*RALPH E. BROWN, Vice President, Central Division, Vice President, Marsh & McLennan, Inc., St. Louis, Mo.

*STEPHEN F. SAYER, Vice President, Eastern Division, Vice President The First Pennsylvania Banking & Trust Co., Philadelphia, Pa.

*LYSLE H. KOOGLE, Vice President, Southern Division, President Triangle Electric Supply Co., Inc., El Paso, Texas.

*GILBERT W. SITES, Vice President Western Division, Credit Manager, The Times-Mirror Company, Los Angeles, Calif.

DIRECTORS

MRS. ELLEN ANDERSON, Treasurer, Shields, Harper & Co., Oakland, Calif.

K. T. BACON, Assistant Treasurer, Minnesota Mining & Manufacturing Co., St. Paul, Minn.

JAMES W. CARPENTER, Vice President, Union Bank of Michigan, Grand Rapids, Mich.

CLYDE C. CREWS, Vice President, Frost National Bank, San Antonio, Texas.

*WILLIAM M. EDENS, Second Vice President, Continental Illinois National Bank and Trust Company of Chicago, Chicago, Ill.

RAYMOND C. ERICKSON, Vice President, United States National Bank of Denver, Denver, Colo.

*RICHARD B. EYDE, Credit Manager, J. A. Folger & Company, San Francisco, Calif.

EARL N. FELIO, Treasurer, Assistant Secretary, General Credit Manager, Colgate-Palmolive Company, New York, N. Y.

NED M. FRENCH, Treasurer, McDonald Brothers Co., Inc., Memphis, Tenn.

*IVAN L. HILLMAN, Assistant Treasurer, Dravo Corporation, Pittsburgh, Pa.

DAVID H. HOTCHKISS, Assistant Treasurer, The Petrequin Paper Co., Cleveland, Ohio.

*NORBERT S. HOUSE, Treasurer & Controller, The Howard Zink Corporation, Fremont, Ohio.

ROBERT L. HOWARD, Vice President-Controller, Logan Co., Louisville, Ky.

*ELMER M. KROENING, General Credit Manager, Allen-Bradley Co., Milwaukee, Wis.

J. A. LANDALE, President, Colonial Textile Service, San Diego, Calif.

CONRAD W. MATTSON, Credit and Office Manager, Grinnell Company of the Pacific, Seattle, Wash.

RALPH H. MULLANE, Vice President, Liberty Mutual Insurance Co., Boston, Mass.

RICHARD F. NEWTON, Credit Manager, J. Russell & Co., Inc., Holyoke, Mass.

STANLEY F. NORMAN, Credit Manager for the Norfolk Division, The Texas Co., Norfolk, Va.

E. C. PAXTON, Credit Manager, Dallas Power & Light Co., Dallas, Texas.

*CHARLES W. PRITCHARD, Treasurer, General Dynamics Corp.-Stromberg-Carlson Co., Div., Rochester, N.Y.

*MISS BLANCHE M. SCANLON, Asst. General Manager Coffee Division, Nash Finch Company, Minneapolis, Minn.

*L. H. STACY, Office & Credit Manager, Grinnell Co. of the Pacific, Los Angeles, Calif.

*SIDNEY A. STEIN, President, Stein Factors Corporation, New York, N. Y.

L. F. SULLIVAN, General Credit Manager, Des Moines Register and Tribune, and Cowles Broadcasting Co., Des Moines, Iowa.

B. EARLE WALKER, Vice President-Credit Manager, C. M. McClung & Co., Inc., Knoxville, Tenn.

EUGENE W. WALRATH, Credit Manager, John Deere Plow Co., Syracuse, N. Y.

N.A.C.M. Officers and Directors Named at the Dallas Congress



W. L. HOLMES
President



R. E. BROWN
V. P. Central Div.



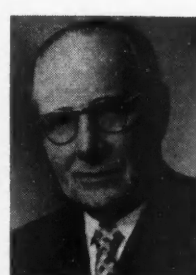
S. F. SAYER
V. P. Eastern Div.



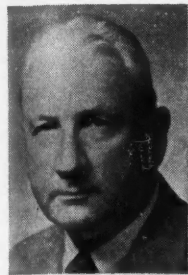
L. H. KOOGLE
V. P. Southern Div.



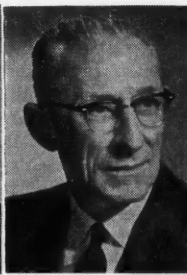
G. W. SITES
V. P. Western Div.



E. B. MORAN
Executive V. P.



J. H. DONOVAN
Immediate Past Pres.



J. A. WALKER
Past President



IRWIN STUMBORG
Past President



S. J. HAIDER
Vice Pres.



P. J. GRAY
Secretary



R. L. ROPER
Asst. Secty.



W. J. McDONALD
Controller



MRS. WOODRUFF
Asst. Treas.



ELLEN ANDERSON



K. T. BACON



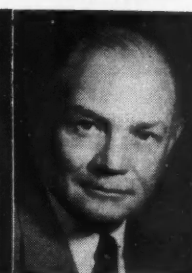
J. W. CARPENTER



C. C. CREWS



W. M. EDENS



R. C. ERICKSON



R. B. EYDE



E. N. FELIO



N. M. FRENCH



I. L. HILLMAN



D. H. HOTCHKISS



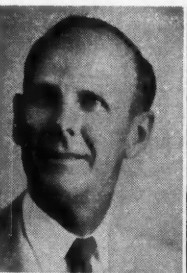
N. S. HOUSE



R. L. HOWARD



ELMER KROENING



J. A. LANDALE



C. W. MATTSON



R. H. MULLANE



R. F. NEWTON



S. F. NORMAN



E. C. PAXTON



C. W. PRITCHARD



BLANCHE SCANLON



L. H. STACY



S. A. STEIN



L. F. SULLIVAN



B. E. WALKER



E. W. WALRATH

Resolutions Adopted at Dallas

Summarizing the Resolutions adopted by the 63rd Annual Congress of the National Association of Credit Management in Dallas, Texas, May 3-7, 1959

(1) WHEREAS, The National Association of Credit Management was organized primarily to advance sound credit practices and procedures and thereby strengthen the economy of the nation; and

WHEREAS, the mounting Public Debt and continuing Federal budgetary deficits can only contribute to a weakening of the nation's credit structure by inflationary pressures which are, in effect, an added tax levy on the savings and earnings of all the people;

BE IT RESOLVED, That the principles of sound credit in private business operation be likewise applied to the operations of Federal, State and Local governments; and

BE IT FURTHER RESOLVED, That the Congress of the United States be urged to provide that, except in time of war or grave national emergency, Federal expenditures shall not exceed Federal revenues; and

BE IT FURTHER RESOLVED, That the Congress be also urged to provide for systematic retirement of the Public Debt by setting aside a percentage of the Budget Receipts for each fiscal year for the sole purpose of retirement of obligations considered part of the Public Debt.

(2) That the National Bankruptcy Act be amended to provide that the priority and nondischargeability of unsecured tax claims be limited to claims that have become legally due and owing within any one of the three years immediately preceding bankruptcy, the year to be determined by the taxing authorities.

(3) That the National Association of Credit Management urge the National Bankruptcy Conference and/or the Administrative Office of United States Courts to study and recommend the adoption of rules and procedures in bankruptcy which would tend to correct existing disparities among various Federal bankruptcy jurisdictions in their diverse interpretations of and administrative procedures under the National Bankruptcy Act and the General Orders in Bankruptcy of the United States Supreme Court.

(4) That the Congress of the United States be urged to enact pending legislation which would amend the United States Criminal Code with respect to the concealment of assets in bankruptcy, by providing that individuals who dispose of their property in contemplation of their own bankruptcy will be held to the same degree of accountability as agents or officers of those who are potential bankrupts.

(5) That Congress amend the Federal Tax laws to provide that commercially competitive organizations now tax-exempt or receiving preferential tax treatment shall be taxed to the extent that their earnings are attributable directly to activities competitive with private, fully taxed businesses; and that, as a step in this direction, Congress be urged to adopt the recommendations submitted to it on January 19, 1959 by the United States Treasury to limit to three years the tax-free retention of income by cooperative corporations.

(6) Recognizing the proven security afforded materialmen and others on public works under the Federal Miller Act sponsored by this Association in 1935, and realizing the need for greater uniformity among the various state bonding laws, we urge that all NACM affiliates and their members, in states where such adequate bond laws are not now in effect, give their legislators their support for adoption of State bond laws patterned after the Federal Miller Act.

(7) In recognition of wide discrepancies in retained percentages on construction contracts and in cognizance of certain abuses which have arisen over the years, the National Association of Credit Management expresses the hope that the various groups and national organizations in the construction industry will urge adoption, wherever possible, of such retainage terms as are now in effect on Federal public works and as set forth in the STATEMENT OF PRINCIPLES approved by the NACM Board of Directors November 11, 1958, and published in Credit and Financial Management magazine in its January 1959 issue.

(8) That the Congress be urged to amend the Federal tax laws to correct inequities with respect to the priority of Federal tax liens over pre-existing liens of other secured creditors, as was recommended on February 23, 1959, by the

American Bar Association and its Committee on Federal Liens.

(9) Our Creator, in His infinite wisdom, has called to rest eternal many members of our organization since last we convened, among them two who had been Presidents of our National Association—our beloved Henry H. Heimann and William H. Pouch. May the grief of their loved ones be assuaged by the assurance that they have left a heritage of faithful service to the Heavenly Father and their fellowmen.

(10) We heartily thank each member of the many committees who gave so much of service and effort in achieving a Convention rich in values and enjoyment. We are especially grateful to the following:

(a) J. C. Ogden, general chairman; R. H. Buchheit, president, Dallas Association of Credit Management; G. E. Lawrence, secretary-manager of the Association and secretary to the convention executive committee; Harry G. Hild, chairman, attendance; James R. Mason, budget and finance; P. E. Gade, Industry Meetings; Sam C. Scruggs, Junior, program and speakers; Harry G. Travers, entertainment; Lee H. Cole, publicity; and the chairmen of other committees;

(b) Chairman Mrs. Nina B. White and co-chairman Miss Clare Pearl Chunn and the members of the Credit Women's Committee;

(c) Chairman Mrs. J. C. Ogden, the vice chairmen and members of the hostess committee;

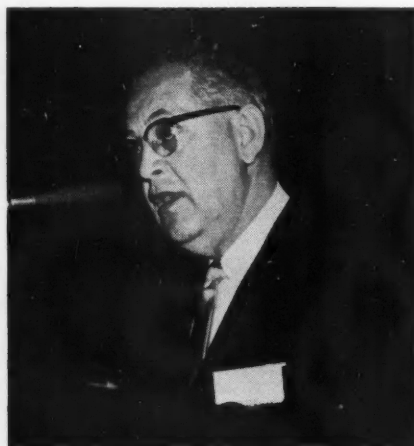
(d) The Robert Morris Associates, for their important contribution to a highly successful gathering;

(e) The co-headquarters hotels—the Statler Hilton and the Sheraton Dallas; and the cooperating hotels—the Baker and the Adolphus;

(f) The newspapers of Dallas—the News and the Times-Herald; to the New York Daily News Record for its extensive coverage; to the Wall Street Journal, the Journal of Commerce, the Commercial and Financial Chronicle; to the Associated Press, the United Press International; and to the radio and television services.

RICHARD W. DURRETT, Chairman
Sheffield Division, Armco Steel Corporation, Kansas City, Mo.

Members: ROBERT L. ALLEN, D. Chiradelli Company, San Francisco; ROBERT W. JOHNSTONE, Norton Company, Worcester, Massachusetts; G. ALBERT KNESEL, Hibernia National Bank, New Orleans; and WILLIAM E. STIVERS, Northwest Chair Company, Tacoma. Secretary, E. A. ROVELSTAD, NACM, New York.



Convention Director I. J. Haider

Will Rogers once suggested the cure for the traffic problem. He wanted the highways open only to cars that were paid for.

—The Indiana Agent

CONVENTION

(Continued from page 30)

discussions shows such topics as these: general contractor financing; retainage in construction contracts; determination of bad debt reserve; counseling for customers; collection correspondence; using salesmen as collectors; selling to marginal accounts; Federal tax liens. These and a host of additional pertinent subjects were reviewed in open forum periods.

P. Edward Gade, credit executive of the Adleta Company, Dallas, was general chairman of the Industry Meetings.

Wednesday Plenary Session

Presentation of the NACM Insurance Advisory Council's Meritorious Award was the first order of business at the Wednesday plenary session. The plaque, won by the New England Association of Credit Executives, Inc., Henry J. Lamb, executive manager, was received by Albert Pauly, Samuel Cabot, Inc., president, from Council Chairman Tearney. Ralph H. Mullane, vice president, Liberty Mutual Insurance Company, also officiated as NACM board representative on the Council, as did George T. Cowan, vice president, Johnson and Higgins, New York, chairman of the special awards committee.

"Hardening of Business Arteries"

Artificially tightening credit, making capital scarce, and raising interest rates too high would "induce a hardening of the arteries of commerce, industry and business, which can only result in unemployment, reduction of income, and constriction of the entire economy," declared William A. Blakley of Dallas, executive committee chairman of Braniff Airways, board chairman of Exchange Bank & Trust Company, and former U. S. senator from Texas.

"The common interest," said Mr. Blakley in discussing productivity of capital and labor, "is the betterment of our standard

(Concluded on page 39)

Knowing All Are on Same Team Assures Continued Progress: President Holmes

I FEEL very humble this morning. The National Association of Credit Management is blessed with so many able and competent men that I know full well that I just happened to be in the right place at the right time, to be on this platform this morning. One of the most capable of the members of our Association and one most devoted to its cause is Ted Hendrick. I appreciate the kind things that he said this morning. To Messrs. Felio, Sommer and Messer, thank you for speaking in my behalf. To all of you, thanks for the confidence that you have placed in me.

I am especially honored to become president from the newest of our divisions, the Southern Division. I had a part in getting the Southern Division started and I served as its first vice president. Additionally, I will be the first president to serve this organization from the state of Texas, and it is especially pleasing to me that this honor came at our convention in Dallas. We in Houston thought we gave Dallas something to shoot at in our convention in 1952, but you know they learn mighty fast in Dallas. I believe this has been one of the best conventions we have ever had.

I understand from reports that the secretary-managers started with an interesting and good meeting.

Certainly in our convention we have had excellent speakers on timely subjects, and splendid entertainment. We have had some real southern hospitality or, perhaps, better still, real Texas hospitality, from the Dallas folks. Dallas, certainly this has been a job well done.

You know we have some past presidents from the Southern Division, who served with distinction and have continued their active support through the years. I refer to such men as Paul Viall, Shad Callaway, Paul Miller and Bob Simpson. Certainly they have set an example for me to follow.

As you become engaged in the work of

our National Association of Credit Management, the one thing that impresses you most is the interest and devotion to our organization that our officers and directors have, and the fact that this interest and loyalty continues after their term of office has expired. So our National Association is particularly blessed to have this wealth of experience and knowledge available. I assure you that I shall use it often and continuously.

Will Carry Out Commitments

At the same time, we have you and you and you, plus 33,000 more yous who were not present at this convention. You are the National Association of Credit Management and it is what you want done that I will do. It is what you want done that all of your officers and directors, along with the staff, will do.

I am particularly pleased with the new officers and directors you have elected today. I look forward to serving with them, along with our present directors.

Your association has had a trying year, a difficult year, and we have all paid honor to Jim Donovan and to the officers and directors who served with him for the fine job that they did.

When you voted an increase in National dues, I believe it was on the premise that certain things would be done. I pledge you my best efforts, and I believe I can speak for the other officers and directors in saying that we shall carry out the commitments that have been made.

Playing on Same Team

Too many of our members think they have memberships in two different groups, their local association and separately the National Association of Credit Management. Much has been done in the past to eliminate this kind of thinking, and I shall do all that I can to bring the local association and the National association closer together so that we all know we are members of the same family and are playing on the same team.

I wish to pay tribute to our secretary-managers around the country and to their staff members, the people who carry on the work in our local associations. I expect to seek the advice and counsel of our Secretarial Council in our deliberations in the coming year.

Certainly our National staff have had a difficult year and have come through with flying colors. They are a source of strength available for advice and counsel on the problems of our association, and I shall use them often and long during my term of office. No one can do it all. No small group—your officers and directors—can do it all. I solicit the advice and wholehearted support of you the member. With that support, we can be assured of the continued advance of the National Association of Credit Management in all the fields in which it has an interest.



RECEIVING LINE, in a manner of speaking. Bankers are hosts to conventioners. In the picture are: Gary A. Jones, Dallas Clearing House; T. M. Cahill, Bankers Trust Co., New York; Frank C. Carter, Jr., First National Bank in Dallas; William J. Kissell, Bankers Trust Co.; Lew C. Sayers, Texas Bank & Trust Co., Dallas; B. F. Edwards, Jr., Bank of America NT&SA, San Francisco; Clifton A. Grice, First National Bank in Dallas; Harold R. deMoss and John R. Walker, Mercantile National Bank, Dallas; John H. Crumby, Republic National Bank.



AMONG New Officers and Directors of the NACM Graduate School Alumni Association. (L to R) Wallace E. Young, credit manager, Schmidt Lithograph Co., San Francisco, a director of the Graduate School; Carol M. Cook, general credit manager, Brown-Forman Distillers Corp., Louisville, vice president; Helen Frankle Block, Tee-Pak, Inc., Chicago, treasurer; and James W. Marsteller, credit manager, DeVilbiss Co., W. Toledo, director. Not in the picture, taken at the Credit Congress in Dallas: William H. Johnson, vice president and assistant manager, Crocker-Anglo National Bank, Sacramento, association president; John H. Barnes, management staff, Recordak Corp., New York, secretary; and Gilbert Purvis, treasurer, Atlantic Steel Co., Atlanta, director.

Graduate School Alumni Elect Johnson; Record Dartmouth, Stanford Enrollments

More than 40 alumni of NACM's Graduate School of Credit and Financial Management renewed acquaintances at the tenth annual meeting of the Alumni Association. At a fellowship hour, Carol Cook and Brown-Forman Distillers of Louisville were hosts. James W. Marsteller, president, was moderator of the meeting.

Earl N. Felio, retiring president of the Credit Research Foundation, reported on activities of the Foundation and thanked the alumni for their cooperation in helping to set a new record in enrollment for the Graduate School at Both Dartmouth and Stanford. He announced an annual Award of Merit for the retiring president of the Alumni Association and made this year's presentation to Mr. Marsteller. The Award, a lettered plaque with the seal of the NACM, read: "The Credit Research Foundation, Inc., of the National Association of Credit Management presents this Award of Merit to James W. Marsteller. In recognition and appreciation of outstanding service rendered as president of the Alumni Association of the Graduate School of Credit and Financial Management (1958-1959)." It was signed by Earl Felio as president, Edwin B. Moran, executive vice president, and William P. Layton, executive director of the Graduate School.

Plaques are also being sent to O. E. Barnum, American Bridge Divi-

sion, U.S. Steel, Pittsburgh, president 1949-51; L. E. Jones, Arkansas Fuel Oil Co., Shreveport (1951-52); George E. Tomberlin, Manatee River National Bank, Bradenton, Fla. (1952-53); George Schultze, The Walter Tips Co., Austin, Texas (1953-54); C. A. Potts, Berger Mfg. Co., Canton, Ohio (1954-55); F. J. Conway, Thorp Finance Co., Thorpe, Wis. (1955-56); C. H. Birdsall, Chemical Corn Exchange Bank, New York City (1956-57); and M. A. Hefferlin, Bank of America, Los Angeles (1957-58).

Vern S. Ames, Foundation vice president in charge of professional development and education, announced that enrollments at both Dartmouth and Stanford were at an all-time high.

The following were elected officers for 1959-60:

President, William H. Johnson, vice president and assistant manager, Crocker-Anglo National Bank, Sacramento; *vice president*, Carol M. Cook, general credit manager, Brown-Forman Distillers Corp., Louisville; *treasurer*, Helen Frankle Block, Tee-Pak, Inc., Chicago; *secretary*, John H. Barnes, management staff, Recordak Corp., New York, N.Y.

Elected directors of the School were: J. W. Marsteller, credit manager, DeVilbiss Co., W. Toledo; W. E. Young, credit manager, Schmidt Lithograph Co., San Francisco; and

Gilbert Purvis, treasurer, Atlantic Steel Co., Atlanta.

Frederic Lanning, general manager, Motor & Equipment Manufacturers Association, New York, was introduced by Mr. Layton, who told the group that three one-year scholarships to the school have been donated by association. (See page 39.)

The Membership Award Winners

FIVE-YEAR

Los Angeles—Class AA
San Diego—Class A
Dallas—Class B
Springfield—Class C
Phoenix—Class D
Quad City (Des Moines)—Class E
Central Missouri (St. Louis)—Class F
Jackson, Mich.—Class G

ONE-YEAR

Indianapolis—Class AA
San Diego—Class A
Birmingham—Class B
Nashville—Class C
Phoenix—Class D
Fargo—Class E
Erie—Class F
Wheeling—Class G

SPECIAL HONORS

Indianapolis—205 months of consecutive net gain.

Indianapolis, San Diego, Los Angeles and Dallas—(Largest number of months of consecutive net gains.
Credit Women's Groups—First place, Dallas; second place, Birmingham.
Royal Order of Zebras—M. C. Ricketts, Dayton.

New England (Boston)—NACM Insurance Advisory Council's Meritorious Achievement Award.

American Petroleum Credit Association's Meritorious Achievement Awards—George E. Spencer, Los Angeles, and William S. Durrant, San Francisco.

Miss Ruth Hocter, NACM treasurer, on retirement. Diamond brooch.

Earl N. Felio, on concluding his three terms as president Credit Research Foundation, Inc.

Three scholarships to Graduate School announced by F. J. Lanning, general manager, Motor & Equipment Manufacturing Association.

CONVENTION

(Concluded from page 37)

of living by continuous expansion of the productive capacity of both capital and labor.

"The common cause is maintenance of individual freedom and the preservation of the finest system of government in all history (freedom of enterprise)."

(Mr. Blakley's address will be reported in detail in an early issue.)

Program for Behavior

Dr. William R. Conte, M. D., who at convention time left his position as associate professor of psychiatry at Southwestern Medical School of the University of Texas to become supervisor of mental health in the State of Washington, presented a four-point program on "How to Be an Executive—and Live."

"A tendency to be worried and depressed, evidences of unreasonable fatigue, irritability—even to the point of out and out anger, are all the resultant of too many things to think about and not enough time to get them all done." Hence the suggested program:

1. "Take a personality inventory!"
2. "This is the time to delegate your responsibility and your problems."
3. "To pull back, to do a little less, and to assume a few less responsibilities may be a life-saving procedure for you."
4. "Live a little!"

(A full account of Dr. Conte's article will be in a future issue.)

"3-Dimensional Confidence"

"3-Dimensional Confidence"—*Give With, Give Through, Get With*—was the enthusiasm-packed theme of Dr. Kenneth McFarland of General Motors Corporation, Detroit, closing Wednesday's single session.

In an address shot with anecdote, Dr. McFarland drove home his point that confidence is the keynote of a success-personality.

He pointed out that a sizable percentage of today's people "never did experience free-enterprise business."

"We don't have to have fun all the time to be happy. It is more fun to succeed than to fail, but you have to work to have fun."

"You succeed because you *know*, and then personality becomes a by-product," Dr. McFarland declared. "People follow you because they believe in what you can do for them."

Thursday Plenary Session

Panel discussion of "Training and Credit Personnel Development" was the program highlight of Thursday's final plenary session. (The discussion will be presented in full in an early issue.)

The moderator was K. Calvin Sommer, treasurer of Youngstown Sheet & Tube Co., Youngstown, Ohio. Panelists and their subjects: "Procurement and Orientation," Robert M. Gardineer, assistant to general credit manager, Continental Can

Lanning Announces Scholarship Winners To Attend Graduate Schools of NACM



F. J. LANNING



C. L. ECKSTROM



D. W. LINDSTEDT



C. J. UNVERFERTH

THREE young credit executives who wrote outstanding papers on why they thought they should be chosen for scholarships to the Graduate School of Credit and Financial Management are the recipients of awards approximating \$500 each. They are: Clinton L. Eckstrom, credit manager, Ditzler Color Division, Pittsburgh-Plate Glass Co., Detroit; Carl J. Unverferth, assistant credit manager, Wagner Electric Corp., St. Louis; and Donald W. Lindstedt, credit representative, American Can Co., San Francisco.

The scholarships were given by the Motor and Equipment Manufacturers Association and were announced at the Credit Congress by Frederic J. Lanning, general manager, who had served as chairman of the scholarship committee.

Introducing Mr. Lanning, William P. Layton, executive director of the Graduate School, spoke of the support Mr. Lanning has given the Foundation and the Graduate Schools. He pointed out that Mr. Lanning had been a pioneer in credit education as president of the New York Institute of Credit and a member of its Board of Governors for 20 years. He organized the Alumni Association of the New York Institute of Credit and is an active member of the Foundation. He is a member of the bankruptcy committee of the New York Credit and Financial Management Association.

Co., New York; "Off-the-Job Training—Formal and Personal," Oscar W. Harigel, vice president, Houston National Bank; "General Management Training," Raymond T. Custer, New England district financial manager, Graybar Electric Co., Boston; and "Program of Self-Improvement—The Process of Human Development and Growth," J. Homer Hilf, district credit manager, Aluminum Company of America, Chicago.

Then the recognition of convention committees by S. J. Haider, NACM vice president and convention director; presentation of certificates of merit to board members, the invitation to St. Louis for the 64th Credit Congress, May 15-19, 1960, the business session and fanfare of escorting the new officers to the rostrum, the presentation of solid silver service to Mr. and Mrs. Donovan—and "Auld Lang Syne."

Fred Haskel Dies

Fred Haskel, past president (1928) of the Detroit Association of Credit Management, who died recently, was the founder of Detroit Stamping Company.

She's Association Treasurer

Katherine Black of Alamo Iron Works, San Antonio, has been elected treasurer of the Southwest Texas Wholesale Credit Men's Association.

GENERAL CREDIT MANAGER

This executive position requires wholesale credit experience. Age to 42. You will be final authority on credit at expanding, progressive, fully integrated paper mill associated with South's largest distributor. Mill is primary industry in small Louisiana town within short drive of Alexandria.

Salary commensurate with this high level position. Usual benefits include retirement, insurance, vacation, holidays, etc.

Address Drawer J (GCM), West Bay Annex, Jacksonville, Florida. Please include resume of background and experience with recent photo. (Special attention Wholesale Credit Experience Unsecured Accounts).

CALENDAR OF EVENTS IMPORTANT TO CREDIT

PALO ALTO, CALIFORNIA

June 28-July 11

Stanford University session of the NACM and CRF Graduate School of Credit and Financial Management.

HANOVER, NEW HAMPSHIRE

August 2-15

Dartmouth College session of the NACM and CRF Graduate School of Credit and Financial Management.

FARGO, NORTH DAKOTA

September 18-19

North Central Credit Conference in-

cluding Minnesota, North Dakota, Manitoba

GRAND RAPIDS, MICHIGAN

September 24-25

Great Lakes Regional Credit Conference, including Illinois, Indiana, Michigan and Wisconsin

MINNEAPOLIS, MINNESOTA

September 28-30

American Petroleum Credit Association's Annual Convention

CHICAGO, ILLINOIS

October 4-7

Annual Fall Conference of Robert Morris Associates

OMAHA, NEBRASKA

October 14-16

Tri-State Credit Conference, representing Iowa, Nebraska and South Dakota

MEMPHIS, TENNESSEE

October 14-16

All Southern Credit Conference

SYRACUSE, NEW YORK

October 15-17

Tri-State Credit Conference, including New York, New Jersey, Eastern Pennsylvania, and Maryland

CHICAGO, ILLINOIS

October 16-17-18

Midwest Credit Women's Conference

BOSTON, MASSACHUSETTS

October 20-21

New England District Credit Conference, including Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont.

QUINCY, ILLINOIS

October 21-23

Quad-State Credit Conference, including Missouri, Kansas, South-eastern Iowa and Southern Illinois.

CLEVELAND, OHIO

October 22-23

Ohio Valley Regional Credit Confer-

ence, including Ohio, Western Pennsylvania, West Virginia, Kentucky and Eastern Michigan.

DALLAS, TEXAS

April 20-22, 1960

Annual Conference of the Southwest Petroleum Credit Association

ST. LOUIS, MISSOURI

May 15-19, 1960

64th Annual Credit Congress

Three Discussion Groups in Credit Clinic at Green Bay

A workaday program, each members participating in three group discussions of case histories, was the order of activity at a Credit Clinic sponsored by the NACM Northern Wisconsin-Michigan Unit and the chapter of the National Institute of Credit, at Green Bay, Wis.

William P. Layton, National's director of education, was the speaker at the dinner meeting, with more than 70 attending. His topic was "The Challenge of Preparation."

Moderators and secretaries of the discussion groups presented their summaries at the dinner. The moderators were J. I. Robishaw, WBAY-TV, Green Bay; Carl A. Biederman, Oshkosh National Bank, and O. H. Yeakey, Western Condensing Co., division of Foremost Dairies, Inc., Appleton, Wis. The secretaries: H. J. Pomy, Marathon Division of American Can Co., Menasha, Wis.; Merrill Potter, Kimberly Clark Corp., Neenah, Wis., and Ralph W. Ihde, Mirro Aluminum Co., Manitowoc, Wis.

Don't Let a Number Usurp Customer Name on Records

Restoration of the full name and title of the customer on the supplier's account records—instead of merely a Machine Age number or "some arbitrary, shriveled mummy, or single initial depending upon the whim of a junior clerk"—is urged by Henry J. Klapetsky, of The Atlantic Refining Company, Syracuse, in his winning article in a contest in connection with the recent annual conference of the Association of Eastern Petroleum Credit Managers, at Buffalo, N.Y.

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Textile Frauds Under National Average, Fund Group Told

The textile field shows far fewer than the national average of frauds and crimes under the Bankruptcy Act, and the answer lies in the constant vigilance exerted by the industry, says John C. Fredell, counsel and director of NACM's Fraud Prevention Department.

Addressing a luncheon meeting of the Textile Fraud Prevention Fund, NACM, Mr. Fredell cited reports that fraud is the most rapidly increasing type of crime in America today. Preventive work, however, has held down the percentage of fraudulent operations in the soft goods industry.

The Fraud Prevention Department, he said, had been active in connection with four convictions and eight indictments up to March 30th this year. Ten new cases had arisen in the period so that now there were 30 pending cases and 18 pending indictments.

Addition of nine member-com-

panies had increased the Textile Fund membership to 54 firms, reported Sidney A. Stein of Stein Factors Corporation. (Mr. Stein, renamed chairman of the Fund's executive committee, is now on NACM's board of directors, elected at the Credit Congress in Dallas.—Ed.)

The group, at the request of the New York Institute of Credit, is assisting in arranging for a course of instruction in fraud prevention with Mr. Fredell as instructor, Mr. Stein said.

Edwin B. Moran, NACM executive vice president, promised the cooperation of National in informing all members of the work of the Textile Fund.

J. Joseph Brown, of Leslie, Catlin & Co., who has been returned to office as president of New York Credit & Financial Management Association, was reelected to the Fund's executive committee, and is vice-chairman. New members of the committee are John L. Kaiser, Dan River Mills, and Joseph B. Funk, Textile Banking Co.

A scroll was presented to Richard E. McCormick of Iselin-Jefferson Financial for his service to the Group. A similar scroll was voted to Jack Perl, Naitove Factors Corp.

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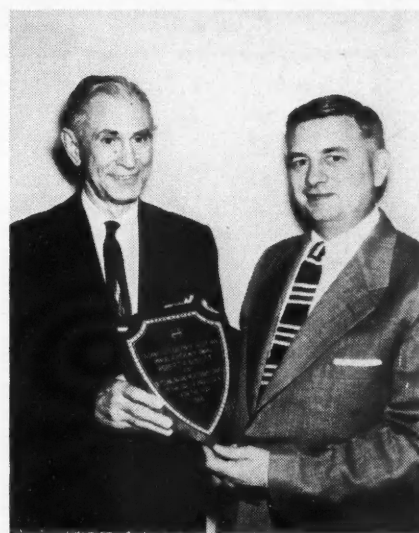
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Nunlist Honored



ROBERT A. NUNLIST (right) assistant treasurer and credit manager, Armco Steel Corporation, Middletown, Ohio, was named "Credit Executive of the Year 1958" by the Cincinnati Association of Credit Management.

The plaque was presented by Paul W. Cutshall, general credit manager, Southwestern Publishing Company. Mr. Cutshall was winner of the Award last year.

Mr. Nunlist holds the Executive Award of NACM's Graduate School (Dartmouth).

Slow Starters in Improvement Due to Come into Their Own

With business improvement now broadly based, those industries which have not made substantial recovery will very likely attain it in coming quarters, Albert T. Sommers, director, division of business analysis, National Industrial Conference Board, told the mortgage committee of the Real Estate Board of New York.

Entering the second phase of the cycle, he said, "the areas now about to experience rapid expansion are not those that have enjoyed the greatest improvement thus far."



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Politically Active Business for Sound Government Is Urged

Businessmen have a duty to become politically active on behalf of sound government, says C. J. Backstrand, president of Armstrong Cork Company. He gives five steps for such a program: Offer personal services to political party work; urge associates to do likewise; keep in close touch with government and legislative matters at local, state and national levels; support business organizations progressive in the legislative field such as chambers of commerce, and, finally, "keep track of the voting records of those representatives who are doing a good job."

Self-Analysis for Banks

Candid self-analysis and knowledge of markets and competition are prerequisites of long-range planning programs for commercial banks, Walter R. Bimson, chairman, Valley National Bank, Phoenix, told policy-making officers at a New York seminar of the American Management Association.

ON THE Personal Side

R. LEONARD CARLTON has been named general credit manager, Continental Can Company, with headquarters in New York City. He succeeds PETER B. NOLD, who has retired after 37 years with the company, during twelve years of which he served as head of Continental's credit department. Mr. Carlton began with the company in 1929 as accounting and credit clerk, advancing from district and regional posts to credit manager of the central region at Chicago in 1957.

ROBERT W. CHAPPONI, formerly assistant credit manager, has been advanced to credit manager, Triangle Conduit & Cable Company, Inc., New Brunswick, N.J., to succeed Harold C. Cashmore, retired. Earlier Mr. Chapponi had been general credit manager Arrow-Hart and Hegeman Electric Company for seven years. RUDOLPH GERKS, with the company since 1935, has been named assistant credit manager.

THOMAS G. MORRIS has been appointed secretary-treasurer, Pittsburgh-Des Moines Steel Company, Pittsburgh. Mr. Morris began with Pittsburgh-Des Moines Company and Pittsburgh-Des Moines Steel Company in 1937 as assistant credit manager. He is a director of the latter company. During the past year Mr. Morris has served as chairman CREDIT AND FINANCIAL MANAGEMENT advisory committee and as president of The Credit Association of Western Pennsylvania. He holds the Executive Award of the NACM Graduate School of Credit and Financial Management, Dartmouth (1952).



T. G. MORRIS



J. G. McCORMICK

ROBERT W. NORCROSS has been advanced to treasurer, Allen B. Du Mont Laboratories, Inc., Clifton, N. J. He began with the company in 1956 as general credit manager and has been assistant treasurer the last two years. Earlier associations were with Servel, Inc., Evansville, Ind., Commercial Credit Corporation and Republic Aviation.

JEROME G. McCORMICK has been promoted to general credit manager, Allen B. Du Mont Laboratories, Inc. Mr. McCormick has been with Du Mont Laboratories since 1954, at first in the credit department of the receiver division, becoming divisional credit manager, then assistant general credit manager for the corporation in 1957.

DONALD H. WEATHERBE, who began with Kaiser Steel Corporation in 1953 as credit analyst, has been named to the newly created post of district credit manager for northwest sales district, at the general offices in Oakland, Calif. Mr. Weatherbe's appointment reflects the increased commercial activities of Kaiser Steel, which recently completed an expansion program nearly doubling the company's steelmaking capacity.

LESTER E. FRANKENSTEIN, formerly vice president, has stepped up to president, and Bertram J. Cahn, president, has become chairman of the board, B. Kuppenheimer Company, Chicago.

K. E. JOHNSON, named general credit manager, United States Gypsum Company, Chicago, began with the company as junior accountant following graduation from Drake University in 1947, and has since served in both credit and sales. Advancement to district credit manager, divisional credit manager, assistant general credit manager at headquarters, and sales personnel manager preceded his new appointment.



R. L. CARLTON



P. B. NOLD



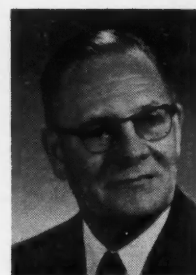
D. H. WEATHERBE



R. W. CHAPPONI



K. E. JOHNSON



W. W. WORKMAN

WILLIAM W. WORKMAN has been named general credit manager, Union Oil Company of California, Los Angeles, to succeed R. D. Roberts, who recently retired. Mr. Workman went with Union Oil in 1925 as accounting clerk at Stockton, following earlier employment with Continental Oil Company, Denver, and Standard Oil Company of California, Stockton. A few months later he was assigned to credits and has since progressed steadily, to district credit manager and credit manager at various west coast offices of the company. Mr. Workman holds the Executive Award of NACM Graduate School of Credit and Financial Management, Stanford, 1957. (Biography of Mr. Roberts in May CFM, page 36.)

Newly elected to the board of directors of American Credit Indemnity Company of New York, with home offices in Baltimore, are ARTHUR H. BAUMGARTNER, vice president in charge of claims; M. G. GOLDEN, attorney, New York; J. T. POWERS, controller; and F. L. WHITE, vice president in charge of the service department.

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